

Inter-American Foundation

Fiscal Year 2002

Grants Results Report

Monitoring



Performance



Verifying



Results

THE INTER-AMERICAN FOUNDATION

***GRANT RESULTS REPORT
FISCAL YEAR 2002***



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Paulo Vas Concelos

Introduction

The Inter-American Foundation (IAF) is an independent agency of the United States government, established under the Foreign Assistance Act of 1969. Its mission is to promote sustainable grassroots development throughout Latin America and the Caribbean. Unlike other U.S. Government foreign assistance agencies, the IAF neither channels its resources through governments nor designs programs or projects for implementation in the region. Instead, the IAF provides grants directly to grassroots and community based organizations to help them implement their own creative ideas for development and poverty reduction.

Projects are selected for funding based on their potential to become self-sustaining and to generate concrete results that improve poor people's lives. Since beginning operations in 1972, the IAF has distributed \$450 million through 4,400 grants to 3,500 organizations. Among the efforts supported have been agricultural cooperatives, small urban enterprises, and intermediary organizations that provide grassroots groups with credit, technical assistance, training and marketing assistance. The largest portion of IAF funding has been invested in food production and agriculture, followed by micro-enterprise development, and education and training.

Reporting Results

Grassroots development works, and the best evidence is that this approach to development is today a priority for many international donors as well as public and private sector entities throughout the hemisphere. Nevertheless, the IAF strives to provide more specific evidence of success by systematically tracking the results of its projects. As an experimental development institution, the IAF is deeply committed to learning from the results of the projects it sponsors. The intent of the IAF is not only to assist the immediate beneficiaries of those projects, but also to learn from them. Careful documentation of results is, therefore, of paramount importance.

Documenting the outputs and outcomes of grassroots grants in a tangible way, however, has not been easy. Anticipated outcomes of grassroots projects occur over a long period of time and many appear well

after grants have expired. Additional challenges stem from grantees' diversity, the amount and duration of the grants awarded, type of beneficiaries, and also from a broad array of project goals, activities and locations. Heterogeneity of cultures, languages, and political contexts adds complexity to attempts to standardize criteria and subsequently generalize from findings across Latin America and the Caribbean.

The Grassroots Development Framework

To meet these challenges, the IAF designed and developed the Grassroots Development Framework (GDF), a practical tool consisting of a menu of 43 indicators used to collect and assess results data that are not always reflected in more traditional ways. The GDF measures the directly observable, *tangible* results of the projects as well as the subtler *intangible* effects and levels of impact on the individuals involved, the group and the community. Tangible results are palpable, but intangible results, such as the assumption of leadership roles or heightened self-confidence, are no less vital factors that influence current and future development initiatives.

Tracking these indicators over time allows subsequent analysis of project results and documents the IAF's work to the agencies to which the IAF is accountable. Awareness of the indicators helps the grantees stay focused on their goals; information on these indicators provides feedback to them and to Foundation staff. We also hope it can provide lessons that individuals, groups and communities may apply in their processes of organizing and associating in the future for their own improvement.

Data Collection

The data presented in this report are collected by the grantees as part of their grant agreement with the IAF. Grantees forward their project results to the IAF every six months during the life span of their project. A cadre of in-country data verifiers contracted by the IAF then corroborates the results submitted by the grantees and forwards the validated data along with their comments on whatever facilitated or impeded achievement of project objectives to the IAF.



Strategic Indicators

In FY 2002, the IAF tracked eight indicators designated as strategic because they are related to the IAF's Strategic Plan. The indicators are:

- * Acquisition of knowledge and/or skills;
- * jobs;
- * satisfaction of basic needs;
- * resource mobilization;
- * resource brokering;
- * cooperation;
- * partnerships; and
- * dissemination.

One of the goals of the IAF is to support self-help efforts designed to enlarge the opportunities for individual development. As a result, most of the IAF funded projects have a training component to increase the capabilities and skills of individuals and families. In FY 2002, the number of individuals registered in grantee sponsored courses, workshops and seminars exceeded 30,000 in agriculture, 25,000 in management, 23,000 each in health and environmental related topics, 16,000 in finance and 15,000 in leadership skills.

Training provides IAF grant beneficiaries with the knowledge and skills that allow them to fare better in the job market. It gives them the opportunity to apply their newly acquired skills to their daily activities, whether these are in the agricultural, manufacturing or service sector.

Probably one of the most important factors in improving the poor standard of living is to provide them with gainful employment or, at least, to create the proper conditions for them to start their own businesses. In FY 2002, IAF grantees helped create more than 2,500 permanent full-time positions and more than 1,100 part-time jobs. In addition, 12,000 jobs were saved as a result of grant activities that otherwise would have been lost.

Creating job opportunities for the poor is a sure way to improve their standard of living. And many of the IAF grant beneficiaries have, indeed, improved their lives as a result of grant activities. However, not all improvements have to be considered in economic terms. The standard of living of the IAF grant beneficiaries has risen as a result of satisfying their basic needs such as improvement in health and nutrition, housing conditions, and education. For example, more than 20,000 beneficiaries received medical attention during FY 2002. Roughly 40,000 beneficiaries improved their diet, and hence their health. Many of the beneficiaries were farmers that, through technical assistance and farming practice workshops sponsored by IAF grantees, have been able to increase their crop production. An increase in production translates, generally, into more income and more food consumed by family members. Thus, a link is established among several grant activities as measured by the indicators. For instance, training leads to application of new techniques that increases production which raises income and helps meet the family's basic needs, which translate, eventually, into an increase in the standard of living.

Resource mobilization and resource brokering have also played a pivotal role in the sustainability of grantee's organization and the continuance of IAF grant funded activities after the termination of IAF financial support. In FY 2002, grantees were able to leverage US\$8.8 million from international and domestic private and public organizations. The amount of resources leveraged is proof of the IAF role in supporting projects that enlarge the scope and strengthen the capacity of grantee organizations. At the same time, resource mobilization and resource brokering are two strategic indicators used to measure the success of stimulating an ever-wider participation of people and organizations in the development process.

Closely linked to the resource mobilization and resource brokering indicators are the indicators that measure cooperation and partnerships. The IAF supports programs that serve as a catalyst in the promotion of local partnerships involving NGOs, municipal governments and the private sector. Partner organizations, whether public or private, domestic or foreign, always bring to the table resources (cash and/or in-kind) and expertise that can help IAF grantees strengthen their organizations and programs, and help the poor improve their standard of living. In FY 2002, more than 1,300 organizations partnered with IAF grantees, while 1,950 organizations, mainly government agencies at the national and local level, cooperated with IAF grantees. Many of these organizations contributed cash or in-kind assistance; others took an active role in planning and implementing grant activities. Thus, the cooperation and partnership indicators, when analyzed in conjunction with other strategic indicators, provide a picture of the IAF's goals.

Finally, it is IAF intent to influence the broader development community towards a deeper understanding of Latin America and Caribbean development problems and potential by disseminating the results of its project funding to development practitioners, donors and policy-makers through publications, conferences, public appearances, working groups and international fora. To that end, IAF grantees supported such efforts through funding a wide array of information outlets. This includes speeches and presentations, radio and television interviews, pamphlets and brochures, newspaper and magazine articles, press releases, books, videos and movies, and CD-ROMs.

Results Reported for FY 2002

Continued advances and substantial diversity in grassroots development characterized the Inter-American Foundation's active grants in fiscal 2002. The projects in the IAF's portfolio span the hemi-



sphere from the U.S.-Mexican border to Patagonia in southern Argentina. The wide array of organizations supported runs the gamut from small grassroots groups in Guatemala to large nongovernmental organizations in Brazil. Even more varied is the type of projects the IAF supports, ranging from piped water in El Salvador to food security in Honduras.

As reported here, the results of the IAF's program of grassroots development reflect the Office of Evaluation's best efforts to assure an assessment of the IAF's effectiveness based on a broad spectrum of reliable data. In this connection, we are pleased to note that FY 2002 yielded a data collection level of 228 reports, or 92 percent, of active IAF grants versus 210 reports in FY 2001 and 144 in FY 2000. Cumulatively, the data reveal that in FY 2002:

- * More than 20,000 individuals received training in basic reading and writing.
- * More than 40,000 beneficiaries improved their diet, and hence their health.
- * Over 20,000 beneficiaries received medical attention.
- * Close to 35,000 individuals benefited from access to clean water.
- * Nearly 130,000 individuals benefited from trash removal operations.
- * IAF grantees in more than nine countries helped their beneficiaries build or expand their own homes.
- * A total of 210 new houses were built and 320 were improved.
- * Over 400 housing units benefited from electrical power installation, improving the lives of approximately 2,200 individuals.
- * More than 200 housing units were connected to a sewer system, benefiting 900 persons.
- * The number of individuals registered in grantee sponsored courses, workshops and seminars exceeded 30,000 in agriculture, 25,000 in management, 23,000 each in health and environmental related topics, 16,000 in finance and 15,000 in leadership skills.
- * IAF grantees created more than 2,500 permanent full-time positions and more than 1,100 part-time positions.
- * More than 55,000 individuals displayed greater innovation skills.

- * Without any written agreements specifying an obligation to do so, more than 1,900 organizations cooperated with IAF grantees.
- * Grantees mobilized nearly \$5.5 million for project activities: \$3.7 million in cash and \$1.8 million in kind.
- * International nonprofit organizations donated US\$1.3 million in cash to IAF grantees. AVINA and the Kellogg Foundation led the way.
- * 55 percent of total resources mobilized came from local donors.
- * Grantees brokered from domestic and foreign sources \$3.3 million that was channeled directly to beneficiaries.
- * IAF grantees provided close to 24,000 loans averaging \$480 each to their beneficiaries. Agricultural loans were the largest, averaging \$1,220. But loans for business development represented 50 percent of all loans, even though they averaged less than \$400 each.
- * In 82 percent of the countries with IAF-funded projects, grantees conducted some sort of dissemination activity.

Ongoing Efforts

These highlights and a wealth of other information were compiled through a process that the IAF's Office of Evaluation is constantly refining. In the coming months, we will work with leading experts in social measurement to research improvements to the intangible variables of the Grassroots Development Framework. We will also meet with all IAF field data verifiers to discuss improvements to the data collection tool and reporting process. We will investigate the possibilities of developing computer-based training on the Grassroots Development Framework and data collection tool for data verifiers and IAF grantees. As with this report for FY 2002, we will continue to be guided by a commitment to a full and accurate representation of the IAF's role in reducing poverty and bettering conditions throughout the hemisphere.

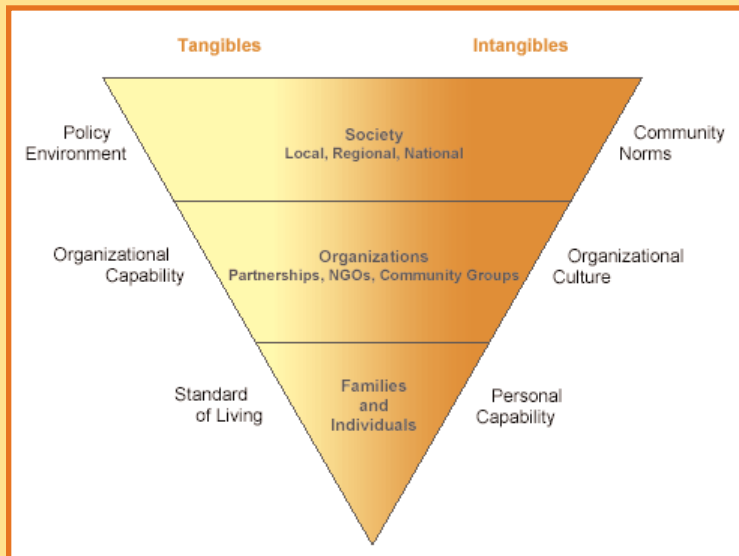
What is grassroots development?

The Inter-American Foundation uses the term “grassroots development” to describe the process by which disadvantaged people organize themselves to improve social, cultural and economic conditions. The concept assumes that the key to sustainable democracies, equitable societies and prosperous economies is a people-oriented strategy stressing participation, organizational development and networking to build the social capital needed to complement human and physical assets.

What is the Grassroots Development Framework?

The Inter-American Foundation created the Grassroots Development Framework (GDF) to measure the results and impact of projects the Foundation supports. Results can inform decisions, signal challenges, confirm achievements and indicate topics for further research. The GDF was created by applying what had been learned from more than 4,000 projects financed by the Foundation.

The GDF is useful to both the grantee and the donor. It provides the means to establish project objectives and report achievements, strengths and deficiencies. The GDF is a tool to measure the impact and the results of a project. Since the pilot testing and application of the GDF in various countries in the region, several development assistance institutions have, in consultation with the Inter-American Foundation, adapted the GDF to their own activities.



How does it work?

The premise of the GDF is that grassroots development produces results at three levels, and important tangible and intangible results should be taken into account. In business, profits are the bottom line. In grassroots development, a project must generate material improvements in the quality of life of the poor. Because poverty entails not only lack of income but also lack of access to a range of basic services (including education, healthcare, shelter and others), as well as insufficient opportunity for active civic participation, the GDF draws these indicators into a single tool.

A development project is a special kind of investment that should produce tangible and intangible benefits, and the GDF seeks to measure and document both. The Foundation’s experience has demonstrated that each project can plant a seed for change and that grassroots development produces results not only for individuals but also for organizations and society. Therefore, the cone shape of the GDF portrays the potential dimensions of the impact of grassroots development, progressing from individuals and families, to organizations, to the community or society at large—the three levels of the GDF.

Part I: IAF New Grants and Grant Amendments

The IAF draws regularly upon a number of information sources. Most important for reporting purposes are data from the Grassroots Development Framework (GDF) and from administrative records. The data are collected through an instrument designed for this purpose, while administrative data are derived from an array of IAF project and financial documentation. In this report, GDF data gathered from grantees convey the IAF's development work at the project level; the administrative record frames the broader picture.

New grants and grant amendments made in FY 2002 cover five basic program areas: agriculture/food production, enterprise development, education/training, research and dissemination, and housing. The IAF invested 54 percent of its FY 2002 grant funds in 34 grants for enterprise development. Agriculture/food production represented 14 grants, or about 19 percent of grant funding; education/training 17 grants, or about 17 percent. Housing and research and dissemination, with four grants in each category, represented about 7 and 4 percent of funding, respectively (see Table 1).

Grants to projects in the various countries were sometimes concentrated in one program area, sometimes more diversified. In Guatemala and Honduras, funding was invested exclusively in agriculture/food production. Argentina's three grants were in education/training. The portfolios for Mexico and El Salvador, ranking, respectively, first and third in total funding, display more diversity, with awards in all program areas except research and dissemination.

Table 1: New grants and grant amendments by program area as a percentage of funding

Program areas	Number of grants	Percentage of funding
Enterprise development	34	54
Agriculture/food production	14	19
Education/training	17	17
Housing	4	7
Research/dissemination	4	3
Total	73	100

Table 2: New grants in FY 2002

Country	Number of grants	Percentage of funding
Brazil	6	12
Caribbean Regional	1	2
Dominican Republic	2	4
Ecuador	5	10
El Salvador	6	12
Guatemala	2	4
Haiti	3	6
Honduras	1	2
Latin America Regional	3	6
Mexico	11	21
Nicaragua	7	13
Peru	5	10

Enterprise development, the most heavily funded program area, accounted for 58 percent of the IAF's investment in El Salvador and 42 percent in Mexico.

In FY 2002, 10 countries received new grants (Brazil, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua and Peru). Mexico and Nicaragua topped the list with 11 (or 21 percent) and seven new grants, respectively; Brazil and El Salvador followed with six each; and Ecuador and Peru had five each. By the close of FY 2002, new grants totaled 52, or 71 percent of the grants budget, with the remainder distributed over 22 amendments. In terms of country-specific funding, Mexico accounted for 24 percent, Nicaragua 16 percent and El Salvador 14 percent, with a total of 54 percent of grant funding allocated to projects in the three

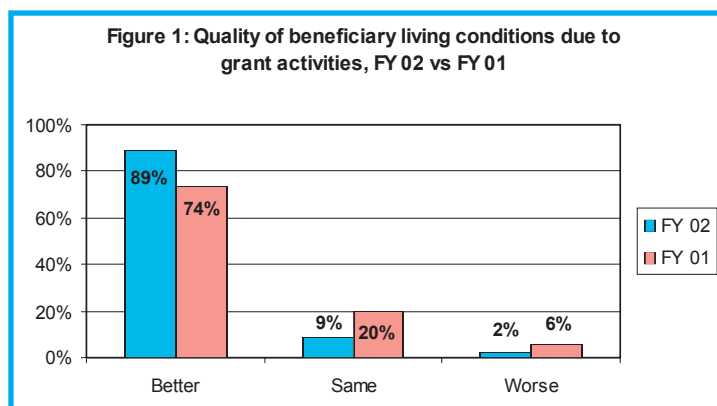
The IAF considers counterpart funding an important element of sustainable development. The belief is that diversified funding is a good business practice in building development organizations that last. As tracked in records maintained since 1972, counterpart funding has totaled 50 percent of project support in 25 out of 30 years. In FY 2002, grantees and others provided \$1.72 for every dollar invested by the IAF.

Part II: Grant Results Obtained in FY 2002

This is the IAF's fourth report in response to the Government Performance Results Act of 1993, requiring all federal agencies to document and report results of strategic plans and performance goals for the fiscal year. It summarizes the results of grants active in FY 2002, during which IAF provided nearly \$13.4 million to fund 52 new grants and 22 grant supplements in 12 countries in Latin America and the Caribbean.¹

This report follows the structure of the Grassroots Development Framework, which measures results at the levels of the individual and family, the organization and society at large. FY 2002 was characterized by a marked increase in data available, with 228 grantees reporting, or 92 percent of all organizations with active grants. Each grantee's report on pre-selected indicators was verified by an independent in-country professional.

Data for FY 2002 show IAF grants had a positive effect on the quality of life of the poor in Latin America and the Caribbean through education, improved health, better housing conditions and increased job opportunities. Asked if their quality of life had improved, stayed the same or worsened as a result of grant activities, 89 percent of the beneficiaries of IAF supported projects reported that they were better off (see Figure 1). Comparing FY 2001 with FY 2002, the percentage of those grantees reporting improvements in their beneficiaries' quality of life increased from 74 percent to 89 percent.



Raising the Standard of Living

Education: New Knowledge and Skills

Literacy

As a result of IAF-supported grants, more than 20,000 individuals learned basic reading and writing skills, an increase of 11 percent over the previous year (see Table 3).

Table 3: Beneficiaries receiving literacy training by gender and country, FY 2002

Country	Men	Women	Total
Argentina	52%	48%	9,300
Bolivia	13%	87%	210
Brazil	50%	50%	6,400
Colombia	11%	89%	160
El Salvador	60%	40%	1,930
Guatemala	16%	84%	250
Haiti	80%	20%	700
Honduras	32%	68%	550
Mexico	0%	100%	40
Panama	59%	41%	330
Venezuela	55%	45%	280
Total	52%	48%	20,150

Grantees in Argentina and Brazil led in literacy training, followed by grantees in El Salvador (see Table 4). Most of individuals trained in Argentina - 9,230 of 9,300 - were beneficiaries of *Fundación Leer* (AR-330), which aims at improving the literacy and leadership skills of children and youth by providing books to take home. In Brazil, the *Instituto Qualidade na Escola* (BR-775) assisted 3,060 low-income children with basic math, writing and reading skills. In El Salvador, the *Asociación Coordinadora de Comunidades para el Desarrollo del Cacahuatique* (ES-181) trained 90 literacy promoters in adult education techniques; they taught reading to 1,260 adults in FY 2002.

¹ Countries with new grants or amendments include Argentina, Brazil, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Peru and Venezuela. Also, the IAF awarded a regional grant to the Community Tourism Foundation for project activities in Eastern Caribbean countries in addition to its work in Barbados.

Table 4: Beneficiaries receiving literacy training by county and fiscal year

Country	FY 2001	FY 2002
Argentina	5,170	9,300
Bolivia	250	210
Brazil	10,920	6,400
Colombia	100	160
Ecuador	340	0
El Salvador	1,130	1,930
Guatemala	20	250
Haiti	0	700
Honduras	0	550
Mexico	170	40
Panama	70	330
Venezuela	0	280
Total	18,170	20,150

IAF grantees carried out training activities in a plethora of other areas and topics; agriculture predominated followed by management, health and the environment. Methods included on-the-job training, courses and workshops lasting one to several days. Grantees also provided complementary technical assistance as reinforcement. Interestingly, women outnumbered men in most of the training offered except in agriculture and construction, both traditionally male-dominated areas, and in marketing (see Figure 2).

Financial Training

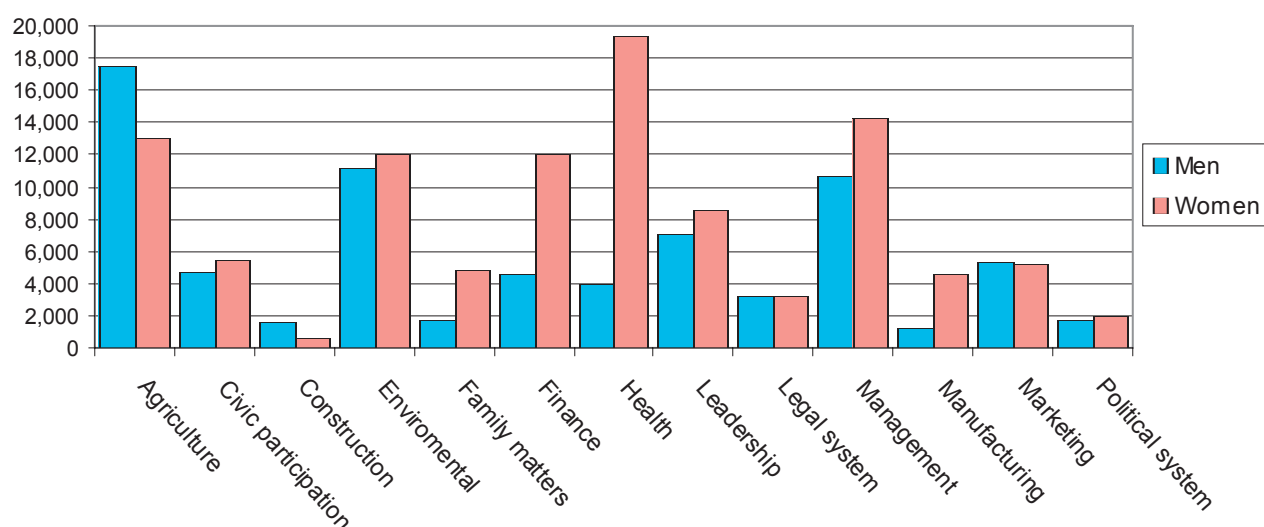
In absolute numbers, female participation was high in two areas closely linked to grants with a loan component: finance and management. In Mexico,

for example, the *Desarrolladora de Emprendedores* (ME-438) is developing within its system a tier of village banks to provide loans for productive purposes to communal banks comprised of low-income beneficiaries who would not otherwise have access to commercial credit. As a requirement for receiving a loan, community bank members have to participate in a credit management program. Of the 7,310 members trained in FY 2002, 80 percent were women.

In Honduras, eight of 11 grantees provided training in finance to their beneficiaries. One of these, the *Asociación de Investigación y Capacitación para el Desarrollo de Honduras* (HO-229), conducted workshops on business management, financial literacy and community banking for 935 beneficiaries, of whom roughly 80 percent were women. Another Honduran grantee, the *Centro para el Desarrollo Comunal* (HO-232), provided training in finance to 495 beneficiaries. Women owning small business accounted for 74 percent of the enrollment in the financial management workshops. The grantee required loan recipients to reside and operate their business within its geographic reach and maintain a savings account at a local cooperative for the duration of the loan.

In Guatemala, the *Coordinadora de Asociaciones de Desarrollo Integral del Suroccidente de Guatemala* (GT-266) established a loan fund for low-income indigenous women. As part of the pro-

Figure 2: Beneficiaries by type of knowledge/skills acquired



gram, the grantee trained borrowers in the skills necessary to improve their agricultural and marketing production and in financial management. In FY 2002, 480 women were trained.

Agricultural Training

Bolivia, Peru and Mexico registered, in that order, the greatest enrollment in agricultural training.² In Peru, 13 of 22 grantees offered training in agriculture. *Centro de Estudios para el Desarrollo Regional* (PU-481) trained growers in the district of Puquina, Arequipa, in animal husbandry, especially cattle breeding through artificial insemination, and in eggfruit production. The grantee also provided training in hay farming, dairy herd improvement and post-harvest activities such as sorting and grading oregano. In all, training in agriculture and/or animal husbandry benefited 1,325 individuals.

Peru's *Centro Ecuménico de Promoción y Acción Social* (PU-505), or CEDEPAS, trained 510 artichoke producers (87 percent of them men) in harvest and post-harvest activities, mango and avocado producers in pest control, and bean farmers in the application of organic fertilizers. In July 1999, the IAF entered into a cooperative agreement with Bolivia's *Programa de Coordinación en Salud Integral* (BO-463), also known as PROCOSI, which established the Fund for Food Security and Local Development directed at increased food production, food processing, nutrition and health education. In 2002, PROCOSI provided training to 2,430 participants in rice, potato and citrus production; harvest and post-harvest activities, including crop selection and coffee and potato grading; silo construction; and livestock management. In 2001, the number trained was, approximately 1,530.

In Mexico, 18 grantees provided agricultural training during FY 2002. One, *Coordinadora de Organizaciones Campesinas e Indígenas de la Huasteca Potosina* (ME-434) used a combination of workshops and follow-up visits to train beneficiaries in the municipalities of Xilitla and Axtla in San Luis de Potosí. A total of 1,220 indigenous and peasant beneficiaries received training, of which 680 were women.

Another grantee, *Milpas de Oaxaca* (ME-428), organized a rural development program to improve health, food security, natural resource conservation, forested areas and nutrition, benefiting 1,300 Mixtecas from five communities in the Nochixlan district in southern Mexico. In FY 2002, Milpas de Oaxaca coordinated training for 410 beneficiaries in reforestation, 215 beneficiaries in soil conservation and 220 beneficiaries in vegetable gardening.

Management Training

Table 5 shows other training areas. Among these, topics related to management, health and the environment drew the most participants. In Bolivia, *Oficina del Artesano Micro y Pequeño Empresario* (BO-481), or OFAMI, offered 40 management courses to nine consortia of shop owners. Enrollment in all 40 courses totaled 375. In addition, OFAMI offered a 70-hour seminar over eight weeks to accountants and business administrators who would serve as trainers in courses offered to micro-entrepreneurs.

Health Training

In Guatemala, six grantees provided health-related courses and seminars and made house visits. Most trainees were beneficiaries of a single grantee, *Asociación de Salud y Desarrollo Rxiiin Tnamet* (GT-252). Courses included training geared to

Table 5: Beneficiaries acquiring new knowledge and skills

Knowledge/Skills	Men	Women	Total
Agriculture	57%	43%	30,630
Civic participation	46%	54%	10,130
Construction	71%	29%	2,310
Environmental	48%	52%	23,230
Family matters	27%	73%	6,570
Finance	28%	72%	16,690
Health	17%	83%	23,270
Leadership	45%	55%	15,650
Legal system	49%	51%	6,450
Management	43%	57%	25,010
Manufacturing	21%	79%	5,800
Marketing	51%	49%	10,540
Political system	48%	52%	3,720

² Participation figures are based on enrollment. During the fiscal year, an individual could enroll in more than one course or workshop. Participants could be fewer than reflected if the same individuals enrolled in multiple activities.

pregnant women and mothers of children under five; men received training on preventing sexually transmitted diseases. In the municipality of Santiago Atitlán, the grantee trained 11,340 beneficiaries, 93 percent of whom were women. Another Guatemalan grantee, *Fundación para el Desarrollo Educativo Social y Económico* (GT-260), offered health training to 1,100 individuals; 530 health educators (450 men and 80 women) received training on preventive measures for diarrhea, rabies and dengue fever; 370 midwives learned pre- and post-natal care; and 200 community leaders trained in general medicine.

Environmental Training

The *Fundación para el Fomento de Empresas para la Recolección y Tratamiento Ambiental de los Desechos Sólidos* (ES-201), also known as ABA, in El Salvador provided training in waste management and conservation activities. ABA organized 10 schools into 11 ecological groups, training a total of 390 students in environmental issues. ABA also trained 730 individuals in solid waste management focused on separation of organic and inorganic waste. Of those trained, 195 were vendors from six markets in San Salvador, Soyapango and Ilopango. In the community of Bethania and the Abailopango cooperative, ABA held six sessions to train 70 participants in composting techniques.

Applying New Knowledge and Skills

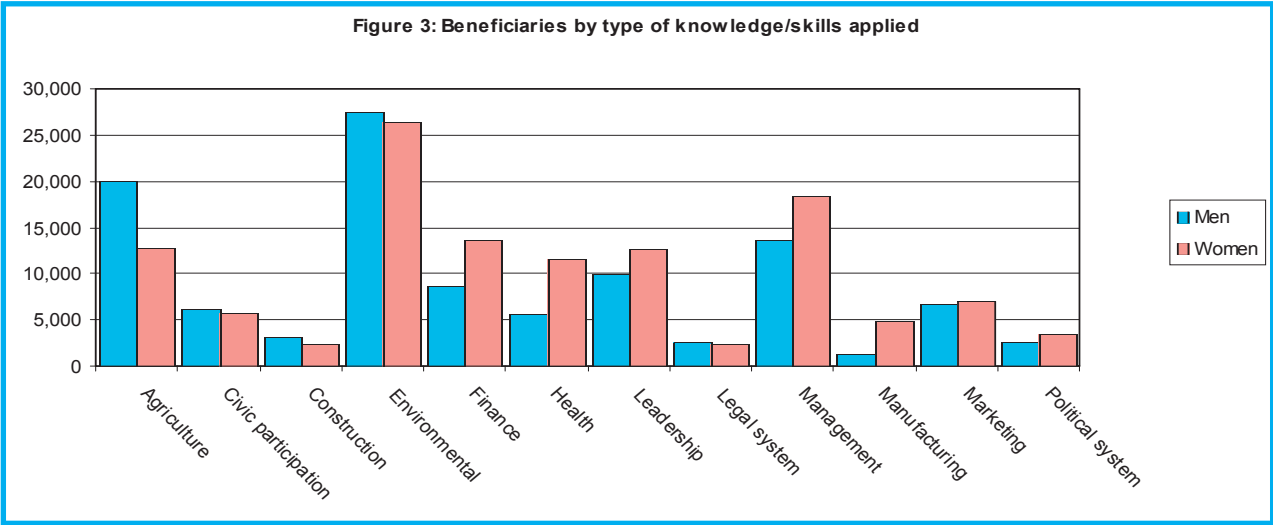
The number of beneficiaries applying acquired knowledge and/or skills is a barometer of the suc-

cess of grantee training and technical assistance efforts. The data presented in this section are cumulative and reflect the application of new knowledge and/or skills acquired through IAF-funded activities since the inception of each grant.

Environment

Figure 3 shows the distribution by gender and type of knowledge and/or skills applied. Nearly 54,000 individuals applied their environmental problem-solving training to address pollution and soil erosion. In the Dominican Republic, the *Sociedad Ecológica del Cibao* (DR-310), or SOECI, is repairing environmental degradation thanks to educational activities related to sanitation in urban areas and soil conservation in rural areas. Waste collection and sanitation techniques applied by 19,410 residents keep the stream that runs through their community clean.

Other projects dealt with recycling. In Suchitoto, El Salvador, 3,170 residents, applying what they learned in trash recycling training offered by the *Centro Salvadoreño de Tecnología Apropiable* (ES-178), are separating organic and inorganic waste. The organic waste is processed into compost and sold to farmers. In Venezuela, the *Fundación Papyrus* (VZ-183), which assists low-income school children generate funds for academic projects through recycling activities, reported that 11,350 households participated in the recycling operation, benefiting approximately 56,760 individuals. In addition, the grantee reported participation by business establishments and other educational



institutions. From a single educational institution, the grantee reported, 5.7 tons of paper were collected, and the proceeds from the sale were invested in school facilities and courses supplementing the standard curriculum.

In Mexico, the *Fundación Comunitaria del Bajío* (ME-433) initiated a pilot program to reduce plastic bag trash in the community. Two students were trained and are currently persuading community residents to participate in the trash reduction program. The grantee, in its effort to improve the environment, also started a tree adoption program for which 420 persons have registered; 220 children (80 boys and 140 girls) are currently taking care of trees.

Agriculture

Beneficiaries readily apply newly acquired knowledge of agriculture. *Fundación Campo* (ES-187) in El Salvador reported, for example, that 1,610 beneficiaries had applied soil conservation and crop diversification techniques during planting season, an increase of 240 farmers, or 17 percent, over the previous year. Similarly, 465 farmer beneficiaries of the *Asociación Coordinadora de Comunidades para el Desarrollo de Cacahuatique* (ES-181) applied their knowledge of soil and water conservation acquired in workshops and through technical assistance offered by the grantee.

In Nicaragua, the *Asociación Servicios Agropecuarios y Desarrollo Rural* (NC-234), or AGRODERSA, reported 365 farmers (270 males and 95 females) applied natural resource conservation practices on their land. To protect their fields from erosion, the men implemented sustainable soil and water conservation practices and used agroforestry techniques including planting fruit trees. The women used environment-friendly insecticides and organic fertilizers on their crops.

Democracy-Building

Table 6 shows other areas of application of new knowledge and skills in leadership, the legal system and civic participation, all basic elements in building democracy. In Colombia, 1,600 beneficiaries of *Corporación SISMA-MUJER* (CO-493) in five municipalities in the department of Cundinamarca

Table 6: Beneficiaries reporting application of new knowledge and skills

	Men	Women	Total
Agriculture	61%	39%	32,760
Civic participation	52%	48%	11,860
Construction	57%	43%	5,350
Environmental	51%	49%	53,830
Finance	39%	61%	22,280
Health	33%	67%	17,200
Leadership	44%	56%	22,490
Legal system	53%	47%	4,800
Management	43%	57%	31,950
Manufacturing	22%	78%	6,100
Marketing	49%	51%	13,680
Political system	43%	57%	6,020

formulated educational plans for local authorities to implement. The participatory process allowed for citizen input regarding the methods and content of educational programs for children and adults. The previous year, 1,140 individuals had participated in the formulation of local educational projects.

In Peru, the *Centro de Información y Desarrollo Integral de Autogestión* (PU-473) provided training and technical assistance to strengthen the municipal government's role and citizen participation in rural development activities. In all, 850 individuals expressed their preferences and ideas regarding undertakings planned by the municipality.

In Costa Rica, the *Fundación Localidades Encargadas de la Administración del Desarrollo* (CR-326), or *Fundación LEAD*, reported that 140 individuals (60 men and 80 women) had applied their human development, inter-organization relations and local government affairs training. For example, participants cited they are now prepared to challenge election results of council members since they know how the system works. Additionally, 40 persons (10 men and 30 women) had used their new knowledge of norms and procedures to be followed by district committees for optimal use of a local development fund. And 170 participants (90 men and 80 women) have been applying what they learned in parliamentary procedure seminars to their jobs.

Health

Health was another area in which beneficiaries made ready use of their acquired knowledge and/or skills. Guatemala's *Asociación de Salud y*

Table 7: Beneficiaries of health -related activities

Activity	Number of beneficiaries	
	FY 01	FY 02
Better diets	46,120	41,460
Installation of latrines	4,570	4,510
Installation of piped water	22,760	34,690
Medical care	33,700	20,580
Trash removal	168,970	130,000
Vaccinations	17,950	2,310

Desarrollo Rxiin Tnamet (GT-252), for example, is improving the basic health conditions in two indigenous communities in the Lake Atitlán area through a program of curative and preventative health services, education and community organization. Since the project began in August 1998, *Rxiin Tnamet* reports more than 6,000 community residents have been actively taking better care of their health, particularly pregnant women who received pre-natal care classes. Additionally, women have worked as volunteers in disseminating preventative health information among families in the communities served.

In Venezuela, the *Centro de Formación Popular “Renaciendo Juntos”* (VZ-161), or CEPOREJUN, set up a loan fund focused primarily on improving quality of life through better health services, improved production and marketing, and increased household income. CEPOREJUN reported 260 persons in eight communities in the state of Falcón benefited from health training. El Salvador’s

Fundación Campo (ES-187) reported 2,510 residents applied their training to control mosquitoes and clean dumps in Llano Chilamate in the department of Usulután.

Other Areas

IAF grant beneficiaries applied skills acquired in other areas as well. In La Paz, Bolivia, *Centro de Multiservicios Educativos* (BO-462), or CEMSE, developed a program to

improve student performance through educational materials and curriculum changes. Nearly 17,000 students used techniques taught by CEMSE-trained teachers to improve their skills in social sciences, physical and biological sciences, mathematics and languages. Finally, El Salvador’s *Programas Comunitarios para El Salvador* (ES-184), or PRO-COSAL, reported 1,010 individuals had applied their knowledge of water regulation to form water boards for the purpose of managing, maintaining and repairing water systems installed through the project.

Health

Nutrition and Access to Medical Care

Better diets and access to medical care and clean water impact the health of the community and, hence, its standard of living. Equally important is proper disposal of human waste and removal of solid waste. Through improvements to diet, FY 2002 grant activities improved the health of approximately 41,460 beneficiaries, a slight decrease compared with data for FY 2001 (see Table 7).

However, for most grantees, dietary improvement was not an initial objective, but an indirect benefit of stated objectives to increase production and/or income. An increase in production leads to more food for household members because part of the



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production is allocated for home consumption. Similarly, as income rises, households can afford more and better food.

Other grantees, such as *Milpas de Oaxaca* (ME-428), *Colegio de Biólogos del Sistema Tecnológico* (ME-445) or COBIOTEC, and, to a lesser extent, *Centro Campesino para el Desarrollo Sustentable* (ME-409), in Mexico, pursue better nutrition as part of their development strategy. Milpas' activities are aimed at increasing and diversifying horticulture production and consumption. In FY 2002, Milpas reported 480 beneficiaries improved their diet as a result of growing and consuming nontraditional vegetables. Similarly, COBIOTEC is supporting Mayan communities in expanding subsistence family production and, hence, nutritional levels. In the communities of Avila and Caobas, COBIOTEC reported that 190 persons improved their diet through horticulture production and apiculture. Because of training, beekeepers have become aware of the nutritional value of honey and, instead of selling all their honey as they did before COBIOTEC's involvement, they are setting some aside for home consumption.

One of *Campesino*'s grant objectives was the creation of a network of health promoters to train the community in nutrition. In FY 2002,

Campesino reported 40 residents of López Mateos benefited from growing nutritional crops for home consumption in eight vegetable gardens. Additionally, 110 children took advantage of the free breakfast program offered by the grantee in Tlalpan in the state of Tlaxcala. Other Mexican grantees also reported improvements to their beneficiaries' diet as an unexpected consequence of project activities:

Fundación Comunitaria de Oaxaca (ME-415), which support projects conducted by community organizations in Oaxaca, reported that 105 malnourished children and their mothers in Chacalapa and Santa Rosa de Lima received assistance in the nutrition rehabilitation centers of one sub-grantee, the *Centro de Capacitación Integral para Promotores Comunitarios* (CECIPROC).

Comité de Defensa Popular de Zaragoza (ME-426), whose goal is better health for the residents of the municipality of Zaragoza, Veracruz, reported the construction of the Children's Nutritional Kitchen, which in FY 2002, offered breakfast daily at two pesos, or \$0.20, to 270 children, 60 expectant mothers and 60 elderly residents of Zaragoza.

Table 8 shows by country the number of beneficiaries whose health improved through access to medical care, including preventive measures such as vaccinations, the availability of clean water and hygienic disposal of human waste through construction of latrines. In Guatemala, the *Asociación de Salud y Desarrollo Rxiiin Tnamet* (GT-252) provided health services to 1,030 patients; 80 young children were vaccinated against diphtheria, polio

Table 8: Health-related activities, FY 2002

Country	Medical care	Vaccinations	Piped water	Latrines
Argentina	570	20	1,640	110
Bolivia	1,380	0	1,940	130
Brazil	0	0	440	10
Dominican Republic	440	190	4,930	1,610
El Salvador	5,200	430	1,640	1,070
Guatemala	6,660	770	0	0
Honduras	530	200	23,690	1,360
Mexico	2,770	510	160	190
Nicaragua	1,070	0	260	20
Peru	820	0	0	0
Venezuela	1,150	180	0	10
Total	20,590	2,300	34,700	4,500

and tetanus (DPT) and pregnant women received tetanus shots. Similarly, the *Fundación para el Desarrollo Educativo Social y Económico* (GT-260) vaccinated 400 young children against whooping cough, diphtheria, polio, tetanus, measles and tuberculosis. It also provided medical services to 2,310 residents in the 11 communities in its jurisdiction.

In Bolivia, the health unit of the *Centro de Multiservicios Educativos* (BO-462), or CEMSE, provided approximately 1,300 students services in gynecology, psychology, pediatrics, general medicine and orthodontics, including X-rays and lab work. In Venezuela, health promoters trained by the *Fundación la Salle de Ciencias Naturales* (VZ-168) provided services to 1,030 indigenous Warao in the communities on the Orinoco River delta. They also vaccinated 180 individuals, mostly children under the age of six and pregnant women.

Access to water

Access to clean water reduces the risk of disease. Honduras' *Fundación BANHCAFE* (HO-222), in partnership with local development coordinating committees, has improved the management of six local watersheds, making safer water available in greater quantity to 18,060 individuals. The Dominican Republic's *Instituto de Desarrollo Ecológico y Capacitación Comunitaria* (DR-312), or IDEC, gave 4,925 individuals access to running water. Through its coordination efforts with the *Instituto Nacional de Aguas Potables y Alcantarillado* and the municipal government, IDEC installed 30 public faucets in the 27 de Febrero neighborhood and 50 in La Altagracia. El Salvador's *Fundación para el Desarrollo de la Ciencia y Tecnología* (ES-193) built a reservoir with the capacity to supply water to 640 persons in the communities of Guachipilin and Sapa during times of shortages.

In Argentina, the *Fundación Juan Minetti* (AR-322) under a cooperative agreement with the IAF, established a development fund, *Tendiendo Puentes*, to finance projects by non-governmental and local community organizations directed at resolving problems of poverty,

including widespread hepatitis and stomach problems from contaminated water in Villa La Merced, in Córdoba. The sub-grantee petitioned the provincial water agency to install a chlorinator to disinfect the water system and embarked on a home water tank cleaning campaign with Villa La Merced residents to kill water-borne bacteria. The outcome was safe water for over 900 individuals.

Latrines and Similar Facilities

Installation of toilet facilities also improved sanitary conditions for more than 4,500 individuals. In the Dominican Republic, for example, the *Consejo Interinstitucional para el Desarrollo de Constanza* (DR-306), or CIDC, built facilities in two schools in the communities of Gajo del Mulo and Arroyo Arriba benefiting 1,180 students. CIDC with support from the Food for the Hungry Foundation also built 25 latrines in the Las Flores neighborhood benefiting 125 residents.

In Honduras, the *Centro Independiente para el Desarrollo de Honduras* (HO-231), as part of its sanitation activities, built 70 latrines in the communities of Guadalupe and Carney benefiting approximately 700 residents. The construction of the latrines has reduced contamination in Guaymoreto Lagoon.



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Three IAF grantees in El Salvador installed latrines. The *Fundación Ignacio Ellacuría* (ES-179) installed 50 “fertilizing” latrines, or *letrinas aboneras*, in the county of El Volcán and 25 in the community of Piedra Luna in Morazán, benefiting 375 individuals. The fertilizing latrine collects solid waste which is processed into organic fertilizer.

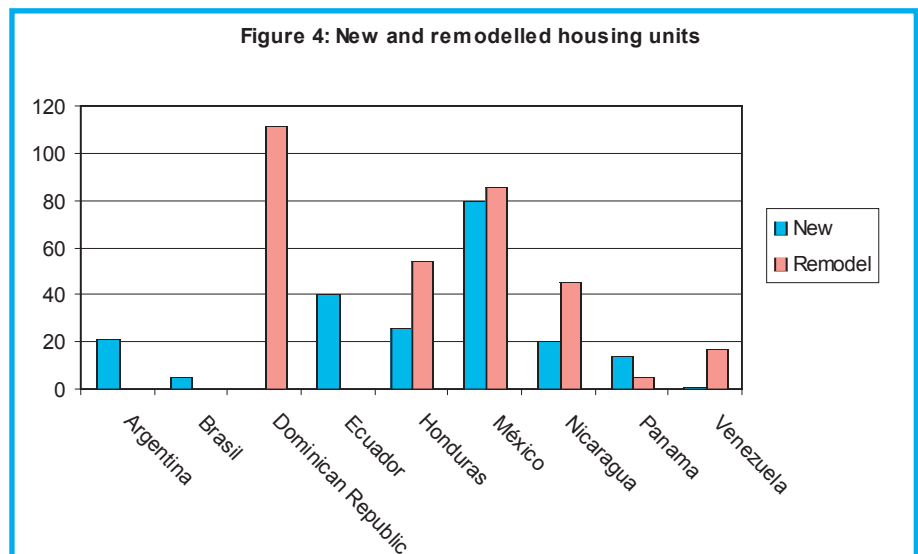
Solid Waste Collection

Health conditions also improved through trash disposal, which benefited 130,000 individuals in FY 2002. The Dominican Republic’s *Sociedad Ecológica del Cibao* (DR-310) organized and implemented a solid waste collection project resulting in the collection of 36 metric tons per day from 5,125 households. The *Instituto de Desarrollo Ecológico y Capacitación Comunitaria* (DR-312), in coordination with neighborhood committees and the municipality, made possible the collection of solid waste from 3,310 households and the elimination of four dump sites from the Manolo Tavarez Justo, 27 de Febrero, La Trinitaria and Simón Bolívar neighborhoods.

Four IAF grantees in El Salvador reported on solid waste collection in FY 2002. Of these, *Fundación para el Fomento de Empresas para la Recolección y Tratamiento Ambiental de los Desechos Sólidos* (ES-201) reported that 6,215 persons in 1,240 homes benefited from waste collection in the community of Prados de Venecia and the city of Ilopango.

Housing

In FY 2002, IAF grantees in nine countries had a direct and positive impact on the standard of living of the poor in Latin America and the Caribbean through assistance with housing construction or additions (see Figure 4). Brazilian grantee *Fundação Centro de Defesa dos Direitos Humanos Bento Rubião* (BR-788) helped residents of two low-income housing cooperatives located in the poorest neighborhoods of Rio de Janeiro build their



own homes. Ecuador’s *Fundación Mujer y Familia Andina* (EC-373) urged the Ecuadorian government to distribute funds from a housing program to 40 women, enabling them to build homes. Argentina’s *Asociación Civil NORTESUR* (AR-327) joined forces with the city of Reconquista in the province of Santa Fe to secure a World Bank flood relief loan and build 20 homes in Barrio Puerto. The grantee financed road construction and the installation of electrical systems in the homes built. A total of 105 individuals benefited.

Nicaragua’s *Sociedad de Servicios Integrales para el Desarrollo Rural Espino Blanco* (NC-230) provided loans to 40 families for the construction of 20 new houses benefiting 90 persons whose homes had been destroyed by Hurricane Mitch in 1998. In Honduras, the *Centro San Juan Bosco* (HO-226), or CSJB, collaborated with the municipal government of San Pedro Sula to improve living conditions for 20 families in the low-income urban area of Ocotillo through the construction of 20 cement-block houses on lots provided by the *Cooperativa De Servicios Múltiples* (COSMUL).

In Mexico, the *Comité de Defensa Popular de Zaragoza* (ME-426) improved conditions for 390 individuals by replacing their one-room mud huts with 60 new three-room homes made of long-lasting materials. Another Mexican grantee, the *Comité de Promoción Social del Valle del Yaqui* (ME-441), or PROVAY, provided low-income families with the necessary training, technical assistance, equip-

Table 9: Homes connected to electric power and sewer lines

Country	Electrical power		Sewer hook-up	
	Persons	Homes	Persons	Housing
Argentina	110	20	0	0
Brazil	10	5	10	5
Dominican Republic	380	60	380	75
El Salvador	520	100	400	130
Guatemala	50	10	0	0
Honduras	950	190	100	20
Nicaragua	0	0	10	0
Panama	160	30	0	0
Venezuela	10	0	0	0
Total	2,190	415	900	225

ment and materials to build 20 safe, cost-effective and durable “ecological” homes that met their basic needs and reduced environmental pollution. The construction benefited 85 individuals.

Home improvement projects also made life better for the poor. In the Dominican Republic, for example, the *Consejo para el Desarrollo Estratégico de la Ciudad y el Municipio de Santiago* (DR-307), or COORPLAN, helped rehabilitate 60 homes along the Hoya del Caimito Stream in the municipality of Santiago. COORPLAN provided technical assistance to the homeowners in the selection of contractors and purchase of materials and monitored the work through completion, thereby benefiting 240 individuals. In Honduras, the *Instituto Nacional de Ambiente y Desarrollo* (HO-224), or INADES, provided materials for the reconstruction and rehabilitation of 40 dwellings, benefiting 290 persons.

IAF grantees in El Salvador, the Dominican Republic and Honduras led in the installation of electrical systems and connection to sewer systems, as Table 9 shows.

Employment

Permanent and Seasonal Jobs Created

In FY 2002, IAF grantees created 2,560 permanent full-time jobs and 1,150 part-time positions as well as seasonal jobs, mostly in agriculture, filled by 5,700 full-time workers and 4,760 part-time workers. About 54 percent of all 10,460 seasonal jobs created were full-time positions (see Table 10).

Panama grants produced 410 permanent full-time positions, the most permanent full-time positions of the 14 countries in this category. Panama's total represents 16 percent of all permanent full-time positions created. Brazil followed, with 240 permanent full-time positions or approximately 10 percent of the total. Two labor-intensive recycling projects in large Brazilian cities with a vast pool of unemployed and/or underemployed accounted for about 92 percent of those new jobs: *Associação dos Catadores de Papel, Papelão e Material Recicável* (BR-773), which created 50 jobs in Belo Horizonte; and *Associação de Reciclagem Ecológica Rubem Berta* (BR-780), which created 175 jobs in Porto Alegre.

IAF grantees in 12 countries created 1,160 permanent part-time positions. Honduras led with 340 positions, or 29 percent of those created, followed by Peru with 250 jobs, or 22 percent of new part-

Table 10: Permanent and seasonal full - and part-time positions created

Country	Permanent Jobs		Seasonal Jobs	
	Full-time	Part-time	Full-time	Part-time
Argentina	110	10	0	70
Bolivia	10	0	0	130
Brazil	240	0	20	10
Colombia	0	0	0	10
Dominican Republic	0	10	30	10
Ecuador	280	20	220	40
El Salvador	105	40	20	410
Guatemala	70	80	20	290
Haiti	90	0	50	30
Honduras	390	340	560	1,790
Mexico	200	10	1,000	130
Nicaragua	200	180	1,690	470
Panama	410	210	30	260
Peru	370	250	2,020	1,060
Venezuela	70	10	40	80
Total	2,545	1,160	5,700	4,790



time jobs. Peru, Mexico and Nicaragua account for approximately 83 percent of all seasonal full-time positions created in FY 2002. Of these, 2,020 were in Peru where about 48 percent of these positions can be attributed to *Bosques del Norte* (PU-486), a rural environmental organization whose job creation helps reduce illegal forestry activities in the national reserve.

IAF grantees in Honduras and Peru accounted for 60 percent of the 4,762 seasonal part-time positions created in FY 2002. Honduras led with about 38 percent of these positions with 52 percent of the Honduran jobs attributable to a single grantee, the *Asociación de Investigación y Capacitación para el Desarrollo de Honduras* (HO-229), or AIN-CADEH, a micro-enterprise project with development activities in the agricultural sector. AIN-CADEH targets low-income women heads-of-household.

Jobs Improved or Saved

Table 11 shows the number of jobs that have been saved and improved as a result of IAF funding. The data for all grants active in FY 2002 are cumulative since inception. A single grantee, *Fundación León 2000* (NC-227), accounts for most jobs preserved and improved in the Nicaragua portfolio.

In Brazil, the *Associação de Reciclagem Ecológica Rubem Berta* (BR-780) has preserved and improved 950 jobs, first, by adding a small plant to process plastic soda bottles into pellets for

sale to manufacturers of plastic bags and food trays, and, second, by negotiating a higher sale price for the recycled products. Through effective negotiation, the price of polyethylene terephthalate received by recycler beneficiaries increased in six months from US\$130 per metric ton to US\$174.

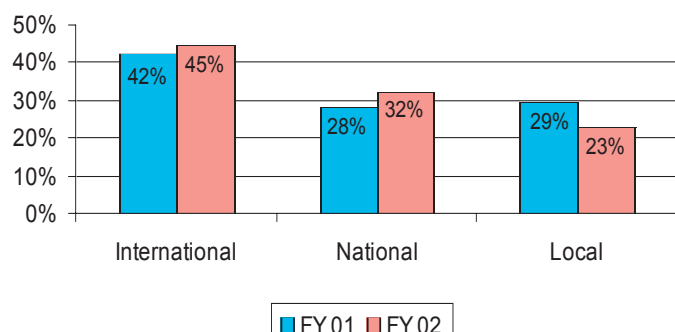
In Peru, the *Centro de Estudios para el Desarrollo Regional* (PU-481), or CEDER, saved 400 jobs through technical assistance following the 2001 earthquake and training in pest-control for fruit growers in the district of Puquina, Arequipa. Additionally, since the project's inception in June 1999, CEDER has improved the jobs of 900 farmers by constructing irrigation ditches which have led to higher crop yields.

In Bolivia, the *Programa de Coordinación en Salud Integral* (BO-463), or PROCOSI, preserved 679 jobs held by women micro-entrepreneurs who received loans from the Freedom from Hunger/CRECER project known as *Bancos comunales de mujeres para Puerto Acosta, provincia Camacho*, allowing them to repair their fishing nets and boats, purchase piglets, and expand the stock in their grocery stores.

Table 11: Permanent jobs saved and improved

Country	Jobs saved		Jobs improved	
	Full-time	Part-time	Full-time	Part-time
Argentina	270	50	290	50
Bolivia	700	110	50	660
Brazil	1,750	140	1,630	0
Colombia	40	0	195	0
Ecuador	350	0	630	70
El Salvador	520	410	1,105	560
Guatemala	80	10	0	0
Haiti	0	0	60	0
Honduras	1,910	1,470	5,430	3,770
Mexico	30	0	2,630	68
Nicaragua	1,810	200	975	30
Panama	200	280	140	20
Peru	1,280	650	1,080	1,300
Venezuela	40	30	40	5
Total	8,979	3,338	14,247	6,529

**Figure 5: Resources Mobilization Distribution
FY 01 vs. FY 02**



Measuring Grantee Organization Capabilities

This section looks into grantee success in leveraging resources to expand the scope of their work beyond the beneficiaries originally envisioned in the agreement with the IAF and to sustain their activities once IAF funding ends. It also examines efforts to forge new relationships toward providing the level and quality of goods and services required. The diversity of loan fund programs is treated as a critical component of many IAF grants because of the number of lives affected.

Resources Mobilized

Resource mobilization refers to funds raised to cover operating expenses and development efforts beyond those covered by an IAF grant. Leveraged resources, from international, national or local sources, private and public, can be financial, material or human. In FY 2002, grantees mobilized the equivalent of \$5.5 million: \$3.7 million in cash and \$1.8 million in kind. Grantees leveraged \$2.5 million, or 45 percent, from international sources, including \$2.1 million in cash and close to \$0.4 million in-kind (see Table 12).

Resources mobilized from national and local sources amounted to \$3 million. Domestic donor contributions represented 55 percent of the total resources mobilized in FY 2002 compared to 58 percent last year. Figure 5 compares resources mobilized by grantees in FY 2002 with those mobilized in FY 2001.

Foreign businesses--Hewlett-Packard in Honduras, Phillip Morris in Panama, and FMC do Brasil, Agribands and Robert Bosh-Divisão de Freios in Brazil--contributed \$84,000 in cash during FY 2002 to three grantees in three countries. Approximately \$1.3 million in cash was donated by international nonprofit organizations as follows:³

- * \$14,000 from AVINA to *Fundación Minetti* (AR-322) in Argentina;
- * \$22,800 from the Kellogg Foundation to CEMSE (BO-462) in Bolivia;
- * \$22,600 from *Misereor* (Germany) to *Fundação Centro de Defesa dos Direitos Humanos Bento Rubião* (BR-788) in Brazil;
- * \$12,000 from the Catholic Organization for Relief and Development Aid (CORDAID) to *SISMA-MUJER* (CO-493) in Colombia;
- * \$25,000 from Intermon (Spain) to *Oficina de Investigaciones Sociales y del Desarrollo* (EC-375) in Ecuador;
- * \$20,700 from *Mellemfolkeligt Samvirke* (Denmark) to *Comunidades Unidas de Usulután* (ES-182) in El Salvador;
- * \$62,700 from Bread for the World (Germany) to *Fundación Para el Desarrollo y Fortalecimiento de las Organizaciones de Base* (GT-253);
- * \$108,000 from SEED-USA to *Fondation Sémence* in Haiti;
- * \$120,000 from AVINA to *Fundación Cayos Cochinos* (HO-228) in Honduras;
- * \$166,200 from the Kellogg Foundation to

Table 12: Resources mobilized in cash and in kind by source

Source	Cash	In-kind	Total
International businesses	\$84,046	\$28,072	\$112,118
International public sector	\$183,368	\$52,292	\$235,660
International private organizations	\$1,301,348	\$288,462	\$1,589,810
Other international organizations	\$531,820	\$4,971	\$536,791
National businesses	\$424,059	\$137,497	\$561,547
National public sector	\$548,555	\$411,430	\$959,985
Other national organizations	\$143,783	\$103,912	\$247,695
Local businesses	\$106,758	\$88,086	\$194,845
Local public sector	\$291,618	\$167,189	\$458,807
Community contributions	\$39,677	\$263,709	\$303,385
Other locals	\$67,235	\$235,365	\$302,599
Total	\$3,722,267	\$1,780,984	\$5,533,242

³ No cash contributions from international private organizations were reported in Costa Rica, the Dominican Republic and Panama for FY 2002.

Fundación Comunitaria Oaxaca (ME-415) in Mexico;

- * \$29,800 from Esperança Inc. (USA) to *Asociación de Voluntarios para el Desarrollo Comunitario* (NC-226) in Nicaragua;
- * \$11,400 from NOVIB (Holland) to *Centro de Información y Desarrollo Integral de Autogestión* (PU-473) in Peru;
- * \$10,000 from *Manos Unidas* (Spain) to *Asociación Civil Fomento del Desarrollo Popular* (VZ-165) in Venezuela.

During FY 2002, IAF grantees received more than \$756,000 from national and local businesses, compared to \$740,000 during FY 2001. Cash donations from domestic businesses were reported in only four countries:

- * \$665 from *Importadora y Exportadora de la Patagonia* to *Fundación Leer* (AR-330) in Argentina;
- * \$11,200 from the *Banco Nacional de Desenvolvimento Econômico e Social* to *Fundação Acesita para o Desenvolvimento Social* (BR-772) in Brazil;
- * \$10,800 from *Empresa Televisa* to *Fundación Comunitaria Oaxaca* (ME-414) in Mexico;
- * \$53,000 from CANTV, a telecommunication corporation, to *Fundación para la Capacitación y Mejoramiento Social del Joven Torrense* (VZ-184) in Venezuela.

Others contributed time or materials to IAF-supported projects. In Mexico, for example, Interceramic donated 3,000 square meters of ceramic tiles valued at \$21,000 to *Comité de Promoción Social del Valle del Yaqui* (ME-441). In Panama, the Canadian Executive Service Organization (CESO) provided the service of two technical advisors to *Asociación de Profesionales Agropecuarios Ngöbe-Buglé* (PN-272), valued at \$29,600. And in Venezuela, PDVSA, the para-statal oil company, provided *Fundación Papyrus* (VZ-183) the equivalent of \$14,000 in room and board, equipment, and classroom facilities for training out-of-school, low-income youths.

Resources Brokered

The term *resources brokered* refers to monetary, material or human resources raised from a variety of possible sources through an IAF grantee's efforts but channeled directly to a grassroots beneficiary group to support work originally funded with the IAF award.

As Table 13 demonstrates, most resources brokered came from central governments, which invested \$883,871, or 26 percent of total resources brokered, in projects for IAF grant beneficiaries. Resources brokered fell from \$7.5 million in FY 2001 to \$3.3 million in FY 2002. Local public sector contributions declined dramatically from \$4.6 million in FY 2001 to a mere \$138,762 in FY 2002. However, to put this comparison in a proper context, it is important to understand that in FY 2001,

two grantees accounted for 84 percent of local public sector resources brokered: *Asociación de Parroquias Rurales y Barrios Suburbanos del Cantón Cuenca* (EC-377) in Ecuador brokered \$1.2 million from the municipality of Cuenca, and *Acción Ciudadana para la Educación, la Democracia y el Desarrollo* (ME-407) in Mexico brokered \$2.6 million from the *Secretaría de Desarrollo Rural* (SEDER). Subtracting resources brokered by these two grantees, total resources brokered from the local public sector decreased from

Table 13: Resources brokered in cash and in kind by source

Source	Cash	In-kind	Total
International businesses	\$36,000	\$23,283	\$59,283
International public sector	\$101,343	\$64,805	\$166,148
International private organizations	\$148,948	\$42,454	\$191,402
Other international organizations	\$138,447	\$108,806	\$247,253
National businesses	\$850,598	\$28,740	\$879,338
National public sector	\$720,336	\$163,535	\$883,871
Other national organizations	\$451,229	\$9,229	\$460,458
Local businesses	\$2,770	\$114,524	\$117,294
Local public sector	\$63,495	\$75,266	\$138,762
Community contributions	\$53,250	\$122,490	\$175,740
Other locals	\$1,038	\$30,082	\$31,120
Total	\$2,567,454	\$783,213	\$3,350,667

\$800,000 in FY 2001 to \$138,762 in FY 2002- still a substantial reduction but not as dramatic. As percentages, the distribution by sectors has also changed significantly from FY 2001 to FY 2002 (see Figure 6).

However, international donor contributions channeled directly to IAF beneficiaries jumped by 17 percent, from \$565,714 in FY 2001 to \$664,086 in FY 2002. Similarly, resources brokered from private and public sector sources, other than those operating at the local level, increased from \$2.1 million to \$2.2 million.

In Guatemala, beneficiaries of the *Coordinadora Kaqchikel de Desarrollo Integral* (GT-256), or COKADI, received more than \$21,000 from the U.S. Agency for International Development (USAID) for building hen houses and purchasing chickens for egg production. The Peace Corps and CARE contributed \$2,700 and \$2,100, respectively, for the same purpose; the municipal governments of Chajul and Cotzal, department of El Quiché, each donated \$2,270; and Juaneritos parish added \$1,000.

In El Salvador, Germany's *Kreditanstalt für Wiederaufbau* contributed more than \$39,000 toward a sewer system in the community of La Magdalena and more than \$29,000 toward constructing and equipping the health unit in the community of Miramar. Beneficiaries of the *Asociación para la Organización y Educación Empresarial Femenina* (ES-196) were the direct recipients of the German institution's assistance.

Another grantee, the *Fundación Campo* (ES-187), was successful in brokering more than \$24,000



Miguel Sayago

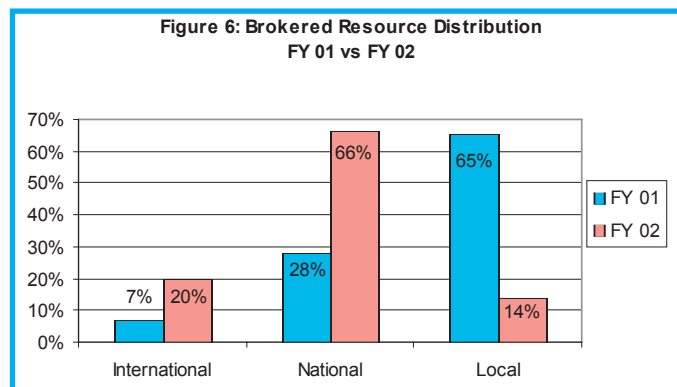
from USAID for a water project in the community of El Cucurucho in the municipality of Nuevo Edén de San Juan. Additionally, El Salvador's Ministry of Public Health and Social Assistance contributed \$7,500 in equipment, medical supplies and salaries for five medical brigades to combat dengue fever. Finally, the Salvadoran Ministry of Education paid the salaries of 47 literacy workers and for instructional materials.

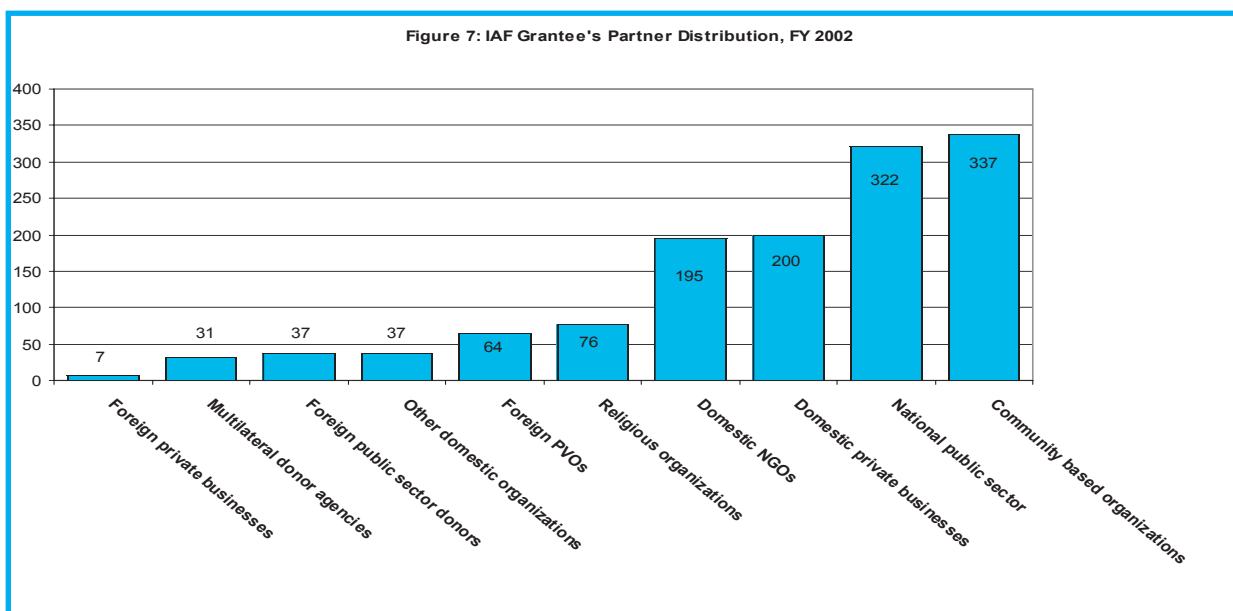
Reaching the Poor by Cooperating with Others

Without any written agreements specifying an obligation to do so, 1,950 organizations, mainly government agencies at the national and local level, cooperated with IAF grantees in FY 2002. In Mexico, for example, *Fundación para la Productividad en el Campo* (ME-431) is working with 33 private and public organizations, both foreign and domestic, including the North American Integration and Development Center (NAID) of the University of California at Los Angeles, which wants to link Mexican migrants in the U.S. with economic development projects in their hometowns.

With assistance from 14 public and private institutions ranging from religious organizations to private businesses to government agencies, another Mexican grantee, the *Fundación del Empresariado Chihuahuense* (ME-416), or FECHAC, provided beneficiaries a wide range of services in FY 2002. The financial and investment company BBVA Bancomer, financed the grantee's news bulletin; the *Secretaría de Desarrollo Comercial y Turístico* paid

Figure 6: Brokered Resource Distribution
FY 01 vs FY 02





for advertising and fair kiosks; and the *Church of San Francisco* provided meeting rooms to the grantee and its beneficiaries.

Argentina's *Fundación de la Universidad Nacional de General Sarmiento* (AR-320), or FUNAS, promotes and supports the university's mission in seven contiguous communities on the outskirts of Buenos Aires through socio-economic development partnerships among public, private and civil society organizations that enhance the efforts of local stakeholders and strengthen democracy at the local level. In FY 2002, FUNAS reported 107 organizations, all but one domestic, cooperated at various levels. FUNAS' *Cultural Catalogue* was published through the combined efforts of the Cultural Regional Congress, made up of 50 nongovernmental and community organizations, which collected the data. Twenty NGOs and community groups worked at assessing the local cultural heritage.

Consejo Municipal de Desarrollo de Esperanza (DR-399) facilitates dialogue on municipal development needs among representatives of civil society, the business community, and local and national government authorities in the Dominican Republic. It reported 11 cooperating institutions, more than half from the public sector.

Partnering as a Strategy to Help the Poor

Grantees are aware that helping the poor requires certain skills and by partnering with organizations that have these skills, they can offer beneficiaries the assistance they need. Partnerships present chal-

lenges because of differences in interests, objectives, goals, resources, and human and financial capital, but they achieve outcomes not otherwise possible. Partnering involves shared decisions and pooled resources to benefit the target group. IAF grantees recognize the advantages in terms of maximizing the impact of their investment and accessing a greater range of skills. During FY 2002, IAF grantees reported partnering with 1,306 organizations, public and private, foreign and domestic. As Table 14 shows, the Salvadoran grant portfolio includes the most partnerships, with 296, followed by Brazil with 209, Mexico with 172, and Peru with 144. In FY 2002 alone, IAF grantees established alliances with 382 public and private organizations.

Community-based organizations, from the neighborhood cultural group *El Colibrí* in Argentina (AR-320) to *Ixtlahuacán Agricultural Association* in Mexico (ME-407), led the way in partnering with IAF grantees (see Figure 7). They were followed by public sector agencies, from municipal governments, such as *Guazapa* in El Salvador (ES-191), to national public institutions such as *FON-AES (Fondo Nacional de Apoyo a las Empresas en Solidaridad)* in Mexico. Domestic businesses also supported IAF grantees in Latin America and the Caribbean. Foreign businesses were rarely a partner and contributed less than \$175,000 to IAF projects in FY 2002.

Diversity in Loan Fund Programs

In its entirety, the IAF credit portfolio reflects a dazzling degree of diversity at the project level. In 2002, the IAF funded projects with micro-credit components in 16 countries. These programs fell into six categories: agriculture, construction, manufacturing, business development, education and other. With 23,950 loans, business development led the field, followed by 13,960 loans for other purposes and 6,290 loans for agriculture pursuits. At \$1,220, agriculture loans were the largest, followed by construction loans averaging \$850 dollars and education loans averaging \$840 (see Table 15).

Projects in Mexico made the most loans in manufacturing, business development and for miscellaneous purposes; projects in Honduras had the greatest number of agricultural loans (820), followed by Guatemala and Bolivia (810 each); projects in Peru led in construction loans (190) followed by Mexico (110). Honduran projects extended the most loans for educational purposes, while Brazil and Mexico each extended a few such loans.

The Mexico portfolio reflects 21,670 business development loans, averaging \$375 each, granted in FY 2002. Of these, 18,910 loans are attributable to *Desarrolladora de Emprendedores* (ME-438), a

Table 14: Grantee partners by country

Country	Partnerships formed in FY 02	Number of Partnerships
Argentina	57	79
Bolivia	49	105
Brazil	49	209
Caribbean Region	0	1
Colombia	35	87
Costa Rica	1	1
Dominican Republic	3	16
Ecuador	16	32
El Salvador	65	296
Guatemala	18	38
Haiti	2	3
Honduras	14	53
Mexico	14	172
Nicaragua	6	6
Panama	10	24
Peru	25	144
Venezuela	18	40
Total	382	1306

Table 15: Category, Number, and Average Loan in FY 2002

Loan category	Number of loans	Average loan amount
Agriculture	6,289	\$1,218
Construction	457	\$853
Manufacturing	3,435	\$440
Business development	23,949	\$388
Education	22	\$842
Other	13,956	\$313
Total	48,108	\$483

project oriented toward expanding its banking capacity; establishing three banking branches for beneficiary asset accumulation; allowing members with a successful track record to access higher levels of credit; improving efficiency through information technology; providing low-income populations in the Valle Chalco access to technology; and managing private capital for a fee to generate revenue for project activities. This project offers both group and individual loans to, respectively, 31,160 members and 1,840 members.

Bolivia's *Programa de Coordinación en Salud Integral* (BO-463) supports a food security and local development fund intended to benefit 5,000 families, especially women and children, and local projects in 61 municipalities. In FY 2002, the credit fund extended 560 loans averaging \$280 each. These loans represent slightly more than 69 percent of all 810 agricultural loans extended in Bolivia during the fiscal year.

From the Rio Grande to the Rio de la Plata, the demand for credit is significant. The uses of micro-credit in the Americas are as challenging to catalogue as the hemisphere's bio-diversity. With IAF resources, grantees are filling development niches largely ignored by the traditional commercial sector, but the need for credit still far exceeds their resources.

Planning and Evaluation Activities

The IAF assesses planning and evaluation ability as high, medium or low. During FY 2002, grantees in 15 countries reported on this variable: 79 grantees, or about 65 percent, reported their capacity high; 41, or about 34 percent, reported their capacity medium.

In Mexico, nine grantees, or 64 percent, reported their capacity in planning and evaluation high, while five, or 36 percent, reported their capacity medium. Among those reporting a high capacity for planning and evaluation was the *Sociedad Cooperativa de Consumo Regional Chac Lol* (ME-423), which the data verifier for Mexico confirmed by indicating that the grantee not only undertakes detailed planning but also follows up by comparing the plan with the results.

In Bolivia five grantees, or 71 percent, indicated their planning and evaluation was high and two, or 29 percent, reported medium capacity.

New Approaches

“New approaches” refers to a demonstrated ability to take the initiative in devising imaginative solutions with what one has available. This includes making use of local resources previously overlooked, or improving techniques by integrating traditional and modern know-how. In FY 2002, 70 grantee organizations reported using this indicator. Independent IAF data verifiers corroborated the self-assessments and confirmed high ratings by 44 grantee organizations, or approximately 63 percent, medium ratings by 25 organizations, or close to 36 percent, and one low rating. *Centro Mexicano para la Filantropía* (ME-422), or CEMEFI, in Mexico, which had rated itself high, had founded an electronic information exchange group comprised of members of the Business Leaders Forum, government officials and development practitioners associated with organizations linked to business development projects. The electronic information exchanged among members has facilitated the flow of ideas and suggestions. CEMEFI’s objective is to encourage corporate involvement in social development.

The *Association Nationale des Scouts d’Haïti* (HA-195), faced with financial constraints in providing its young beneficiaries computer training, approached businesses and cajoled them into making a microcomputer-equipped facility available. Another grantee, the *Fondation Sémence d’Haïti* (HA-193), is using solar energy to power water pumps for irrigation since Haitian electric power is unreliable. *Sémence* is also on the look out for new environmentally friendly fishing techniques.

Venezuela’s *Centro de Formación Popular “Renaciendo Juntos”* (VZ-161), or CEPOREJUN, is an example of an organization that does not hesitate to apply new methods to achieve its goals. CEPOREJUN has successfully used “Participatory Rapid Assessment,” a method learned from the German Cooperation Agency (GTZ) to identify community needs.

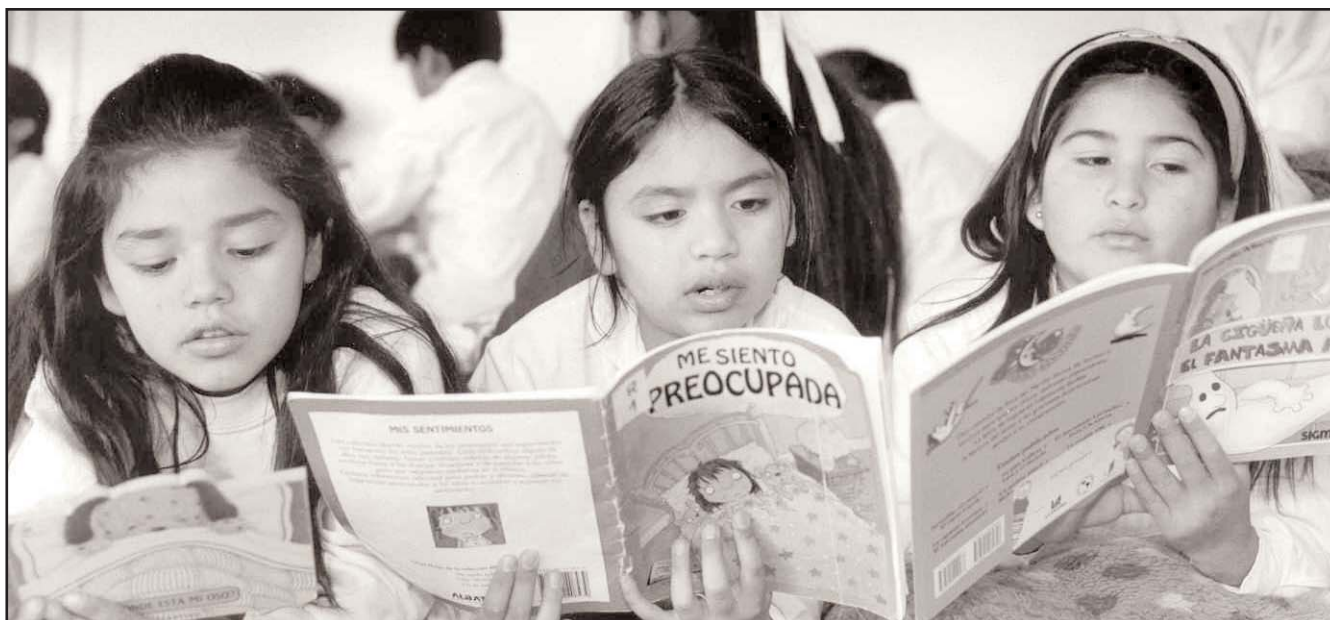
Ecuador’s *Asociación de Parroquias Rurales y Barrios Sub-urbanos del Cantón Cuenca* (EC-377) attempted to motivate parish leaders and residents to participate in development planning projects through the monthly publication “*Visión Parroquial*” and received a medium rating.

Stakeholders’ Access to Information

In FY 2002, 65 percent of grantee organizations were rated high, 34 percent were rated medium and one was rated low in their willingness to disseminate information on policies and programs to staff, beneficiaries and participating organizations. *Sociedad Cooperativa de Empresas Agropecuarios de los Municipios de Jocoro, Corinto, Divisadero, y Sociedad* (ES-185), or JOCODIS, received a high rating for regularly allowing staff and beneficiaries free access to project information. JOCODIS shared with local governing bodies, or ADESCOS, and other entities, project and other information, for example, on national sources of funding for environmental projects. Recently, JOCODIS focused on obtaining medicine for its medical brigades by providing several companies information on the project and its components.

Centro de Protección para Desastres (ES-190), or CEPRODE, received a medium rating as it provides staff and beneficiaries only limited information, for example on work processes or a training class, at selected times. However, CEPRODE does share information with other organizations when requested.

Asociación Coordinadora de Comunidades para el Desarrollo del Cacahuatique (ES-181) received the only low rating among the Salvadoran grantees simply because staff were focused on early termination of the project and had limited outside contact.



Patrick Breslin

Participation in Decision-Making

How much do beneficiaries, staff, and/or organizations working in coordination participate in decisions affecting goals and activities? Of the 99 grantees reporting on this indicator measuring the democratic workings of IAF projects, 69 percent had a high rating, 29 percent had a medium rating and two percent had a low rating in participatory decision-making.

Two grantees in Colombia provide examples of a high and a medium rating: *Centro de Educación e Investigación para el Desarrollo Comunitario Urbano* (CO-494) beneficiaries, poor women belonging to a grassroots organization, are represented in project planning and decision-making. Recently a representative proposed the need for a workshop on project formulation. Additionally, regular visits offer the opportunity to share information with beneficiaries about their home gardens and activities and to hear their ideas. In contrast, irregular visits caused *Fundación para la Educación Superior* (CO-484), or FES, problems with involving beneficiaries in decision-making crucial to the project. In the past, visits had enabled beneficiary groups to present and defend their proposals for grants from FES's development fund and to exchange information and opinions on requirements and operation. While proposals arrive through other cooperating organizations, these organizations do not participate in the fund's operations.

Dissemination

The dissemination of knowledge and experience allows development to build on the success of others and avoid their errors. The IAF supports such efforts through funding a wide array of information outlets, including speeches and presentations, radio and television interviews, pamphlets and brochures, newspaper and magazine articles, press releases, books, videos and movies, and CD-ROMs.

In FY 2002, IAF grantees in 14 of 17 countries, or 82 percent of the countries with projects funded by IAF grants, undertook some sort of dissemination activity. Argentina, Mexico and Peru grantees were represented in each area of dissemination activity. Usually, however, projects used a more modest array of tools.

IAF projects produced 860 pamphlets and brochures and distributed more than 122,898 copies. In the last fiscal year, projects in Brazil, Mexico and Venezuela stand out. Brazilian grantees produced 30 pamphlets and brochures and distributed 22,740 copies. *Viva Rio* (BR-798), a project oriented toward improving the horizons of low-income business owners, distributed 10,000 copies of its single publication, an impressive level considering the project's goal of improving access to business tools and the market for 5,500 people.

In Mexico, 15 different pamphlets and brochures were produced and 25,780 copies were distributed. *Fundación Juan Diego* (ME-418) distributed among its 12 branches 18,000 copies of its quarterly bulletin “ENCOMÚN,” which provides information on financial tools and recent FJD agreements.

Projects in Venezuela produced 23 pamphlet and brochure products and distributed 22,735 copies in fiscal 2002. *Fundación para la Capacitación y Mejoramiento Social del Joven Torrense* (VZ-184), or FUNCAMET, distributed 13,000 copies of 12 such products, or more than 57 percent of all distribution by IAF projects in Venezuela. FUNCAMET is a training and micro-credit program oriented toward youth in the municipality of Torres in the state of Lara. Given the project’s 10 training programs plus the micro-credit program, the distribution seems reasonable.

Dissemination also occurred through speeches, presentations, radio and television interviews; in the future, these means of information exchange will play an important role in the Grassroots Development Framework. New dissemination categories are likely to be included in the GDF given this explosion of telecommunications exchange via the Internet.

Measuring Intangible Results: Individuals and Families

A holistic view of grassroots development includes intangible gains that can be observed, inferred and reliably verified, if not directly measured. At the individual or family level, the IAF, through its data verifiers, collects data on seven intangible indicators: communication, problem-solving skills, self-esteem, cultural identity, respect, determination and innovation. Considered with results on tangible indicators, these widen the lens through which grant impact is viewed and provide symmetry to the IAF’s measurement process. The data presented in this section reflect the perception of grantee organizations and beneficiaries with regard to cultural values, a sense of belonging, personal recognition of self-worth and human dignity, and the sense of the potential to live a better life and contribute to society. The data are cumulative and show results

since the inception of each grant. Following are intangible results achieved.

Communication

Bolivia’s *Centro de Multiservicios Educativos* (BO-462), or CEMSE, reported that 53 percent of its beneficiaries improved their communication skills as measured by interaction between students and teachers and between students and parents during an evaluation study conducted by the grantee. CEMSE developed and implemented activities that involved spelling, public speaking and syllabication, which have helped 16,000 students hone their communication abilities since the project began in 1998.

Similarly, *Fundación para la Infancia y la Juventud-Opportunitas* (VZ-172) in Venezuela is providing local youth-oriented organizations in the state of Carabobo a series of workshops in basic communication skills. The program counts nearly 900 participants whose communication skills have improved.

Problem-Solving

The following examples illustrate how beneficiaries, as a result of IAF-funded activities, analyze a situation and plan and carry out a course of action:

In Panama, the *Asociación para el Desarrollo del Micro y Pequeño Productor* (PN-269), or ADEMIPP, reported that its beneficiaries have been able, as a result of training, to resolve two problems confronting their community: the contamination of the water source by hog producers and by farmers applying chemical fertilizers in their fields; and heavy rain which threatened to destroy the rice tassel at harvest. Beneficiaries took their case against polluters to the *Autoridad Nacional del Ambiente*, which ordered the hog producers to clean up the toxic waste in the rivers and issued an order restraining farmers from applying chemical fertilizers near rivers, streams and springs. The rice farmers entered into an agreement with other farmers to help with the harvest and were able to salvage most of the crop.

In Ecuador, *Fundación Mujer y Familia Andina* (EC-373) reported that the project created an environment in which women could air their grievances and arrive at mutually acceptable solutions. Thus far, 350 women have participated in this exchange since the project began in 1999.

In Argentina, 120 program coordinators (mostly women) trained by *Fundación Leer* (AR-330) in the literacy and life skills aspect of the Open Book Project were able to resolve problems associated with implementation. Program coordinators worked with publishers to avoid delays in the delivery of books to participating schools. Additionally, they devoted time to program logistics, including book and volunteer selection and reading sessions.

Self-Esteem

Personal recognition of self-worth and human dignity and a sense of potential are attributes of self-esteem, which plays a key role in human accomplishment and development. Most IAF-supported activities aimed at tangible results affect the self-esteem of the people targeted by these activities. For example, 9,400 children and youth, as well as 120 program coordinators, have raised their self-esteem by participating in *Fundación Leer*'s after-school reading and inter-personal skills program. Through books available to take home, the program offers children an important opportunity to select something of their own to keep, and learning continues with their families. As a result, the children's attitude toward reading and libraries has improved, along with their reading and learning skills. Further, children are participating in all-day reading festivals, which bring parents into the sessions and the educational process. Moreover, the selection of program coordinators and school directors, not to mention the accolades of appreciative parents, has boosted the self-esteem of program personnel.

The *Mancomunidad Héroes de la Independencia* (BO-474) in Tarija, Bolivia, reported that since its IAF-funded program began in 1999, self-esteem has improved for approximately 2,500 beneficiaries. The grantee based its assessment on the beneficiaries' enthusiastic reaction to its credit program, to their selection as participants in project activities and to

their opportunity to propose development projects to their elected officials. Also important was the local authorities' appreciation of their own role as key actors in their community's development.

Cultural Identity

The *Asociación para el Desarrollo Económico, Educativo y Cultural de Guatemala* (GT-265), or ADEEC, conducted a workshop on weaving methods in the communities of Samac, Esmeralda, Tanchí and Setul. The objectives were twofold: first, to provide women with skills to earn a living; and, second, to preserve traditional indigenous weaving techniques. ADEEC also assisted farmers with their crops, and the farmers, in turn, have demonstrated an appreciation for the Q'eqchi culture and its link with nature, especially at planting and harvest time.

In Panama, the *Centro de Estudios para la Promoción del Desarrollo* (PN-265), or PRODES, reported 2,020 individuals have stronger ties to their cultural heritage as a result of grant activities. The grantee cited celebrations in Portobelo, Colón, to commemorate Black Heritage Day with speeches, recitals, dances and a parade in which local authorities join as well as various schools.

The *Fundación Inti Raymi* (BO-477) in Bolivia reported that its beneficiaries identify strongly with their native language and customs. According to the grantee, after planting alfalfa and barley, farmers in San Antonio de Angulo gather to offer their god, Pachamama, incense and *cóhas*, a table full of sweets, eggs and herbs, so that their labor is rewarded with rain. During the ceremony, local authorities, or *hilacatas*, wear indigenous dress.

Grantee and Beneficiary Innovation

As defined by the IAF, innovation is the capacity to develop creative solutions with the materials and resources available and to apply new strategies or methods that integrate traditional and modern knowledge and practices. This is one of several GDF indicators where information is collected by gender when available.

During FY 2002, grantees from 13 countries reported 55,110 individuals displaying greater innovation



skills, of whom 49 percent were male and 51 percent female, although these proportions were not consistently distributed over all countries. In Colombia, for example, the split was 34 percent male and 66 percent female with every project registering more improvement among women.

Corporación Centro de Cooperación para el Desarrollo por Asociación de Participación (CO-488) in Colombia is attempting to improve natural resource management, agricultural production and ties between the rural sector and the local municipal government. Specific activities in land and water conservation, eco-tourism, sustainable agriculture and cultural preservation offer many opportunities for innovation, and communities have started to produce creams and natural medicines as well as nutritional pellets for guinea pigs.

In Guatemala, almost 13,000 individuals showed greater innovation capacity, and males exceeded females, registering 58 percent and 42 percent, respectively. The *Fundación para el Desarrollo Educativo, Social y Económico* (GT-260), or FUNDADESE, is reflective of the Guatemala portfolio; of almost 11,000 individuals with greater innovation skills, 63 percent are male and 37 percent female. These numbers might seem high, but given this organization's past record with farmers in the same municipality, they are acceptable.

Part III: Profiles of Projects Ending in FY 2002

ARGENTINA

Colegio Mayor Universitario *Reversing Urban Blight in Santa Fe*

Background

In terms of population and physical size, Buenos Aires dwarfs other cities in Argentina, but they are all nonetheless plagued with a host of urban issues. Santa Fe is a prime example. Its improvised urban slums lack basic public services, including water and electricity. Through community organization and citizen participation, the city has made headway, however, in addressing these problems.

Organization and Objectives

The *Colegio Mayor Universitario* (AR-325), or CMU, founded in 1954, specifically addresses housing, health, day-care and vocational training in Santa Fe. In 1998, CMU received a three-year IAF grant for \$251,000 to promote the health, nutrition and educational development of children under-five; improve the health of pregnant women; enhance the employment possibilities of young adults; ameliorate the quality of life and housing conditions; and form a neighborhood organization to join the housing and health program of *El Movimiento de los Sin Techo*, or Homeless Movement.

Grant Results

Grant beneficiaries built 320 units to replace their informal housing arrangements, improving conditions for 1,600 individuals. The construction was accompanied by urban planning; parcels were appropriately surveyed and boundaries set. Water services and electric power were brought to the neighborhoods, benefiting 480 families or approximately 2,400 individuals.

A pre-school built in the neighborhood of San Pantaleón enrolled 135 children over the life of the project. Evaluations indicated that 80 percent of the children who had attended pre-school did better later on than those who had not attended a pre-school. Training benefiting 120 young adults centered on the trades.

Another program trained 840 women in women's health, childcare and women's rights. Also successful were alliances formed and accords and agreements entered into. A total of 37 initiatives emerged during the project. CMU secured \$6.50 dollars in additional funding for every dollar donated by the Inter-American Foundation.



Dora Celton

Lessons Learned

The project taught important lessons: Partnering with an experienced organization can be essential to a successful project. Volunteers also play an important role.

Taller de Historia Oral Andina *Legal Recognition, a Basic Right*

Background

Taller de Historia Oral Andina (THOA) began as a university undertaking to capture the history of the indigenous peoples of Bolivia. Since its initial success, THOA has aimed to increase the role of *ayllus*, or indigenous community groups, in local government and encourage their participation in local development. In the context of a new decentralization and popular participation law enacted in Bolivia in the mid-1990s, this work was necessary and its goal achievable. New laws on land reform paved the way for legal recognition of communal property, a traditional form of collective landholding for the indigenous population.

In 1996, the municipality of Mollo Grande declared itself an indigenous municipality. A year later, THOA began to work there and in another municipality in the province of Muñecas to build the skills and organizational infrastructure for fuller participation by the residents in local decisions affecting their lives. More aware of their legal rights, the indigenous population would be able to obtain a fair share of local government resources. Residents sought solutions to eroded land, the need to migrate for income, the sale of corn in nearby towns and the control of local government by a few non-indigenous leaders.

Objectives and Results

The THOA's goal was to enable three communities to access municipal development funds for investment in pasture, livestock, irrigation and other livelihood concerns benefiting at least 200 indigenous families. Other goals were to:

- * Train 50 indigenous leaders in municipal administration, local development planning, and Bolivia's new decentralization and participation laws, including as they applied to women;

- * establish new geographic boundaries for three traditional indigenous *ayllu* organizations and provide assistance toward legal status; and
- * document and publicize experiences in strengthening the *ayllus'* participation in local government.

Through diagnostic studies of needs in the three zones, land titling was identified as the highest priority for the indigenous communities. THOA sought three amendments to its grant addressing this need and to transfer follow-up of the National Council of *Markas* and *Ayllus* of Qualasuyo (CONAMAQ), allowing the 2006 deadline for filings be met by all interested parties. THOA conducted 50 seminars for local leaders and trained regional and CONAMAQ authorities in indigenous rights, political participation and women's leadership. As part of the plan to turn titling activities over to CONAMAQ, THOA trained 45 CONAMAQ officials in preparing development proposals and land titling petitions for presentation to the Bolivian government.

During the process, THOA shared its knowledge of ways to present petitions for legal title to communal property to the National Agrarian Reform Institute (INRA) so they were processed with higher priority at less cost. As a result, the petitions from three communities in the municipal district of Qamata were presented together to INRA and to eight *ayllus*, representing 53 communities in the Aroma province, and to one *ayllu* in Cochabamba province. Petitions from other communities are being prepared.

THOA published *A Guide to Leadership Formation*, a pamphlet on indigenous rights under international and Bolivian law, and also prepared a text on human rights and indigenous rights.



Lessons Learned

Institutions implementing projects must be open to learning the practices of the clientele they serve and to value continued learning. THOA has achieved this; it seeks to share more information and work with local experts.

THOA learned more about rural indigenous practices, including events such as festivals that take

the time and attention. THOA also learned indigenous authorities change every six months to a year; consequently, training needed to be repeated.

Through a delay in the title process in two predominantly indigenous areas of La Paz province, which affected one petition before INRA, THOA realized the necessity of building ties and coalitions and sharing information.

Centro de Tecnologias Alternativas – Zona da Mata

Generating Jobs

Background

Zona da Mata is a rural town of fewer than 20,000 inhabitants located in southeastern Minas Gerais, Brazil. The community relies heavily on agriculture. For the past four decades, the region has suffered from various “modern approaches” to agricultural development, which has led to deforestation, degradation, pollution and destruction of water sources, and growing poverty.

Formed in 1987, the *Centro de Tecnologias Alternativas – Zona da Mata* (CTA-ZM) was created to allow rural workers to participate in public policy programs. A decade later, Tombos was chosen as one of the municipalities where a Rural Development Municipal Plan (RDMP) was to be designed using alternative approaches to agriculture. The project’s objectives were specific:

Design technical and organizational proposals to improve the sustainability of rural production systems;

- * improve 350 families’ standard of living; increase alternative and sustainable approaches to agriculture and provide technical assistance for their application;
- * guarantee systematic marketing alternatives for organic produce;
- * develop three plants to process sugar cane, coffee, and milk;
- * train workers for the processing plants; strengthen community organizations and their management ability;
- * develop a network of social organizations; design and implement methodologies to promote the development of the region;
- * distribute new methods, approaches and techniques related to soil management, fertilizer and pest control, industrialized dairy production, sugar cane processing, and high quality coffee production;
- * replicate the experience throughout the region; and
- * establish a fund to purchase agricultural supplies for small-scale farmers’ experimental plots.

Grant Results

The CTA-ZM project improved the Zona da Mata region on many levels. Most important was the improved sustainability of production systems because of a significant reduction in practices destructive of the environment. The soil quality improved, as well as the quality of products.

An increase in jobs meant residents had the advantage of several income sources and a consequent increase in disposable cash. The project created 15 permanent jobs in the plants and 10 seasonal jobs for sugar cane workers. The grantee trained 215 families in processing agricultural produce, thereby adding value. More training was conducted in rural property administration, organic coffee production and making bio-fertilizers. At the project’s end, 540 people sold their products at the local market; 120 planted sugar cane for delivery to the processing plant; and 25 beneficiaries shifted to organic coffee production. CTA-ZM facilitated the creation of APAT, the small-scale farmers and rural workers’ association of Tombos, whose market has guaranteed commercial outlets for products at good prices, which motivates workers to produce more. Workers can buy and sell at the same market, eliminating intermediaries and allowing for the exchange of goods through barter as well as purchase.

From the outset, CTA-ZM has enjoyed a very high level of participation by rural workers who are active in project phases ranging from internal planning to administration. Six rural workers from Tombos, for example, are associated members of



CTA-ZM project and participated in the annual assembly, as well as in internal decision-making. In fact, when municipalities did not collaborate on construction of the processing plants, the grantee was able to mobilize volunteers locally and resources from both international and national organizations.

The rural workers have managed to participate in the design and implementation of the RDMP. Furthermore, the project became a recognized example of successful collective work and a model for other rural development programs. Because of it, the entire population of Zona da Mata became more conscious of the damage caused by toxic chemicals used in agriculture and in urban parks. However, the project's most visible impact was the development of the three sugar cane processing plants in the municipality of Tombos, which prompted a series of invitations from all over Minas Gerais. The project has won the community's respect, and other municipalities are eager to replicate its participatory, diagnostic and management methods.

The main problem facing the project was a long drought at the outset that caused crops to wither and workers to stop planting. There were other problems as well:

The devaluation of the Brazilian currency and its effect on the price of chemical fertilizers;

rapid project growth, which brought unforeseen needs and expenses; the extra expense of the license required to start production; and a legal restriction to sell only in the local market.

Lessons Learned

Successful practical experiences in sustainable development carried out by grassroots organizations are powerful examples which lead to positive changes cultural beliefs and social behavior. Adaptation to political change is essential.

Dissemination of project results is crucial. CTA-ZM has a weekly radio program and has submitted articles to journals.

CTA-ZM's focus on community awareness and trust through positive changes has prompted spontaneous action, such as the current environmental campaign for additional urban parks.

Educational campaigns and discussions in public forums are not enough to bring about change. The association still has to convince other growers to raise organic produce.

COLOMBIA

Corporación Centro de Cooperación para el Desarrollo por Asociación de Participación *Self-Monitoring and Openness Fuels Achievements*

Background

The grantee, the Corporación Centro de Cooperación para el Desarrollo por Asociación de Participación (CDAP), is composed of five non-governmental organizations and the municipality of Pasto, near the Cocha Lake region in southern Colombia. The objective of the project was to improve natural resource management (including soil and lake conservation), enhance sustainable production, and build equitable alliances between rural communities and the Municipio de Pasto. Over the long term, of course, the overarching goal of the project was to stem environmental degradation and thereby enable local, low-income families to better satisfy their basic needs. The multi-faceted project planned to reforest 75 acres, establish 7,500 acres of biological reserve and protect nine watersheds. Beneficiaries were to include 3,000 low-income families, five community organizations and Pasto's municipal government.

Outcomes

Achievements in natural resource management included 15 eco-tour businesses in reserve areas, five more than planned, by 20 families. Residents have reforested areas with native trees; 15 tree reserves now exist. One community group takes part in registering birds. With 440 people trained in administration, planning and evaluation and another 270 in civil participation, residents have taken further steps including a creativity fair for exhibiting their work and cultural presentations. Beneficiaries have included not only adults, but also youth and children, many through the Herederos del Planeta (Inheritors of the Earth) groups. Additionally, CDAP's ties to the local communities and leadership on local matters allowed its active participa-

tion in a management plan in connection with the inclusion of the La Cocha Lake region in the List of Wetlands of International Importance (the Ramsar List compiled in Ramsar, Iran, in 1971).

Lessons Learned

The corporation's openness to learning and working systematically led to the incorporation of training in communication and leadership and to citizen participation in all training events.

The success in incorporating this training led to the formation of local groups which could function successfully in the various components of the project, such as environmental management and communication.

CDAP's growth and success allowed it to mobilize resources from, for example, the World Wildlife Fund (more than \$123,000) and the German Association for the Cooperation and Education of Adults (more than \$16,000).

Acción para la Educación Básica *Pre-school and Community Development*

Background

La Haina and Los Alcarrizos are marginalized urban areas in metropolitan Santo Domingo in the Dominican Republic. Both have large concentrations of poor citizens, many of them not accounted for in official records, as is often the case throughout the Americas. If the high percentage of the youth without a birth certificate were legally registered, the areas' school age population could soar by as much as 40 percent. As it is, the school system in these urban areas is overloaded, and children without proper documentation have little chance of gaining access to it. This is particularly true of pre-school, a challenge *Acción para la Educación Básica* (DR-303), or EDUCA, stepped up to confront.

Organization and Objectives

EDUCA has undergone a significant evolution since its founding in 1989 by local businesspeople and professional educators. In its early days, EDUCA was a think-tank focusing mainly on policy issues. Now its principal goal is to improve basic education, in particular, pre-school education, and its work is oriented toward implementation rather than policy.

In June 1998, the Inter-American Foundation awarded EDUCA a three-year grant, later extended to March 2002, to assist in the development of a project called "Adopt-A-School," aimed at the consolidation of 20 community-managed pre-schools and the establishment of 15 new pre-schools to serve 1,500 children between the ages of three and six.

Specific objectives of the grant were to:

- * Document the service delivery of community pre-school and formal education;
- * develop a model for addressing the need for pre-school education in marginalized urban communities; and
- * form alliances between community members and institutions, public and private, to carry out the project.

Results

One of EDUCA's most important accomplishments over its grant period was the positive image of education it fostered in La Haina and Los Alcarrizos. EDUCA also catalyzed strategic alliances with other actors in the education sector, such as the Ministry of Education. EDUCA has produced some concrete results;

- * They have trained 60 facilitators;
- * developed 11 new centers and consolidated 20 existing centers that provided pre-school education to 1,500 children in Haina and Los Alcarrizos;
- * improved the pre-schools' infrastructure; and
- * attracted support from the private sector.

The project has also affected the adult population through Sunday training sessions on the environment, health and nutrition, school integration in the community, and education in values. New efforts supported by the private sector target the infrastructure of pre-schools, transforming them from marginal, improvised structures into architect-designed buildings constructed with top-of-the-line materials.



Lessons Learned

One of EDUCA's greatest challenges was adapting to outside change. Since its founding, EDUCA has been active in four areas: consciousness-raising on the importance of basic education; advocacy for policy reform; delivery of services to low-income schools; and promoting the involvement of parents and communities in the schools. Today, EDUCA places its priority on education reforms in urban areas. Positive lessons learned included the importance of community-based facilitators as links between the community and NGOs; good contacts

with government ministries; a good dialogue and a good relationship with the community; avoiding dependence on volunteer labor; avoiding overburdening the pre-school facility; increased contact between NGOs and communities; and better salaries for pre-school staff to prevent high turnover.

Youth in La Haina, Los Alcarizos and other metropolitan communities in Santo Domingo have been well served by this program.

Fundación Sinchi Sacha

Eco-tourism in the Amazon

Background

The *Fundación Sinchi Sacha* was organized in 1991 to promote appreciation for Ecuador's ethnic diversity, especially in the Amazon region. It provides indigenous communities training and technical support services for eco-tourism projects, the revitalization of their artisan skills, production and marketing of handicrafts, and a variety of cultural appreciation initiatives.

In 1999, Sinchi Sacha signed a two-year agreement with the IAF, later extended for an additional year, for an eco-tourism project along the Misahualli River on the edge of the Amazon's forest. Sinchi Sacha was not new to eco-tourism; it had already developed a complex along the shore of the Napo River, approximately 30 kilometers from the city of Tena. The organization also had experience managing a museum of Amazon culture and a handicraft shop. For the new venture, Sinchi Sacha entered into a partnership with the municipality of Archidona.

Objectives and Results

The objective of this IAF-funded project was to improve the standard of living of six indigenous riverside communities (San Francisco, Retén, Calmituyacu, San Juan, San Vicente and the Women's Association in San Agustín) through eco-tourism development in Archidona. As planned, the project would have three phases: first, construction of the infrastructure; second, training residents to operate and manage the facility; and third, generating sufficient income to support the complex's hiring of low-income residents of the surrounding area. Training in eco-tourism, artisan skills, indigenous handicraft production and marketing, and cultural appreciation was also planned as well as technical support.

Over the three years of the project, the municipality secured and prepared the land for the complex. The project employed 60 temporary laborers during the construction of six lodges (two more than planned), a restaurant and a meeting facility. Its workers built



pathways connecting the various installations, gardens, four scenic lookout sites and a small nursery. Sinchi Sacha reforested 200 hectares with tucum palm trees.

The grantee had contemplated the creation of 480 jobs in food and craft services and sale at the tourist site. By completion, the project provided steady employment for an administrative manager, assistant, two kitchen workers and a guard. However, the grantee only trained 60 individuals in construction rather than the 48 they had originally planned for management and tourism and 140 in project planning and organizational participation.

The biggest obstacle Sinchi Sacha faced was the low volume of visitors due to the difficulty of accessing the complex, a four-hour drive or a one-hour flight in small aircraft from Quito. The cost of air transportation to bring in tourists and supplies and to take out non-biodegradable waste is high. Because the complex can accommodate only a limited number of visitors, operating at a profit has proven difficult. Furthermore, competition is intense. Another tourist complex is located only 45 minutes away by boat and guides trained by Sinchi Sacha and registered with the tourism authorities must compete with nine riverboat operators and free-lance guides.

In the final year of its grant, Sinchi Sacha received IAF and municipal funding for a 120-meter pedestrian bridge over the Misahuallí River, a series of training activities and its marketing campaign. With the additional funding, Sinchi Sacha was able to complete the bridge and offer the above-referenced training in construction using local materials. A contractor created two self-taught, participatory training models, one for trainers and one for students, in community eco-tourism covering crafts, eco-tourism, and food service. The models are ready for use once more visitors come to the complex.

To attract a clientele of younger, environmentally conscious tourists, Sinchi Sacha has assembled four regional tour packages, signed an agreement with a tour operator, produced a promotional pamphlet and is redesigning a Web page in Spanish and

English. The plan is to cater to tourists seeking more activity in an exotic locale with a 26-mile path for hikers and cyclists along the river stretch where the six communities are located. The path belongs to a petroleum company, but through a cooperative agreement Sinchi Sacha is permitted access as long as the path is used in an environmentally-friendly manner.

Lessons Learned

The project represents a noble attempt to start a new eco-tourist venture in Ecuador, which has only one primary eco-tourist area, the Galapagos. A three-year project was more realistic than Sinchi Sacha's initial 18-month plan. It usually takes time to show profitability and an impact on employment.

The grantee realized the value of researching the competition, the potential clientele and access, and planning and budgeting accordingly.

Only one of the project's three phases, construction, was successfully completed by the end of the grant period. It is, however, too early to judge the project's success or failure. Soon after its grant terminated, Sinchi Sacha not only received visits from the Ministry of Social Welfare and promoters of indigenous development, but also signed an agreement with an educational institute to provide food and lodging for 30 students five days a month for one year. Only time will tell whether this project will improve the standard of living of indigenous people in Archidona.

EL SALVADOR

Asociación Coordinadora de Comunidades para el Desarrollo del Cacahuatique

Community Organizations, Production and Marketing

Background

The *Asociación Coordinadora de Comunidades para el Desarrollo del Cacahuatique* (CODECA) was founded in 1993 to further the comprehensive development of the communities in the Cacahuatique mountain range, department of Morazán, El Salvador. Since its founding, CODECA has undertaken projects in connection with the environment, credit assistance for crop development, maternal-child health and adult education. In 1996, CODECA received from the Salvadoran Department of the Environment an award as the best nongovernmental organization carrying out environmental projects financed by the Initiative for the Americas Environmental Fund El Salvador.

In 1997, the Directorate of Renewable Natural Resources formally turned over to CODECA the administration of the Cerro Cacahuatique protected area. And in 1998, CODECA received a four-year IAF grant for \$301,300 for a sustainable agricultural project and to strengthen coordination among sectors and institutions involved in local development.

Objectives

The project's goal was to encourage sustainable development in the El Borroñoso micro-region and bring key actors together to implement its three major components:

- * A loan fund providing credit to 55 small-scale-farmer families and operational capital to six producer associations;
- * an education program to reduce illiteracy by training 20 promoters to teach reading and basic civic education to 25 adults annually and continuously evaluate local development activities; and
- * technical assistance to seven community organizations and three municipal governments to increase the effectiveness of their participation in development activities.

Results

The *agricultural production credit fund* extended 195 loans totaling \$186,260: 180 to 130 farmers



Luis Gonzalez

(\$127,910) and 10 to producer associations (\$58,354). This exceeded the original goal of 55 farmers and six producer associations by 143 percent and 83 percent, respectively. Along with agricultural loans, farmers received the required assistance, especially for soil conservation. However, almost \$84,000, or 45 percent of the loans extended, has not been recovered.

The literacy program trained 90 literacy promoters in adult education techniques, instead of the 20 originally envisioned. They taught 2,110 adults (1,300 men and 810 women) to read and write in the communities of Piedra Luna, Piedra Parada, Joya de los Cimientos and Las Isletas, all in the municipality of Yamabal. Subsequently, the program was expanded to four more districts: Abelines, El Volcán and San Bartolo in the municipality of Guatajiagua and El Limón in Sensembra.

In establishing and strengthening community organizations, CODECA provided organizational and administrative technical assistance to 12 community development organizations, five more than originally planned. CODECA provided assistance as well to two of the three municipal governments scheduled to receive it. The municipal government of Guatajiagua did not benefit because of its mistrust of non-governmental organizations.

CODECA's role was critical in the establishment of the Municipal Development Committee (CODEM), which included the mayors of Sensembra and Yamabal, who are responsible for development initiatives, the municipal councils and various community organizations; and the Environmental Committee (CADEM), which enjoyed the partici-

pation of various private foundations, ministries and other public entities and private enterprises, such as the Agricultural Commerce Bank, local radio stations and Shell Oil of Morazán.

The strategic local development plan for the micro-region, however, was not drawn up, although PRODERNOR (the Rural Development Project for the North-Eastern Region) funded the participation of five mayors' offices (San Francisco Gotera, Chapeltique, Guatajiagua, Yamabal and Sensembra), nongovernmental organizations and community development associations (ADESCOS) for this purpose.

Lessons Learned

Good coordination between CODECA and the Ministry of Education yielded positive results in the area of adult literacy.

Price fluctuations in the markets were not taken into consideration when agricultural loans were granted. The drop in coffee and pork prices had an adverse effect on loan repayment, and, consequently, the credit fund dwindled.

IAF's decision to disburse most of the grant funds at the start of the project proved unfortunate. Because CODECA exhausted the funds and could not finance activities planned for the fourth year, the grant agreement ended six months ahead of schedule.

Programas Comunitarios para El Salvador

Access to Water in Three Communities

Background

The daily struggle for water for household use in the Salvadoran communities of Palo Grande, El Cedro and Veracruz used to begin in the pre-dawn darkness. The work often took two, three or more hours and involved all ages and gender, although women shouldered a disproportionate share of the burden.

Carrying heavy loads of water over substantial distances along dark paths or roads exposed the population to falls or vehicle accidents. As the crime rate rose during El Salvador's post-civil war strife, water carriers were increasingly victims of robbery and rape. Putting in the long hours and withstanding the dangers did not guarantee that a household would have water past midday, and regular baths were a luxury. Exhaustion from the early morning chore took a toll on children's school attendance and performance. Adult work suffered because of the time and energy consumed, which increased during droughts when trips were longer.

Organization and Objectives

The *Programas Comunitarios para El Salvador* (PROCOSAL) is a community development organization that obtained legal status in 1997. Its main goal is to improve the quality of life in rural El Salvador through strengthening base groups and supporting sustainable development, specifically through furthering the organization of impoverished rural populations and offering technical assistance for the installation and maintenance of potable water systems. In 1999, the IAF signed a three-year agreement with PROCOSAL toward coordinating community, municipal and NGO efforts related to bringing potable water to the above communities.

Four objectives were specified:

- * Providing potable water to 5,170 inhabitants in the three communities;
- * enabling local community development organizations to deal adequately with local problems;
- * improving PROCOSAL's technical and administrative ability to maintain productive alliances and achieve greater independence and self-sufficiency; and
- * promoting strategic alliances between the three local governments, the three community development organizations and the non-governmental organizations.

Results and Impact

By completion, the project benefited 5,510 individuals in the three communities, exceeding its goal of 5,170 individuals. Furthermore, PROCOSAL organized with each community a Water Administration Association independent of the Local Community Development Organization. It also strengthened each organization's technical and administrative capacity, including the ability to form alliances.

The project experienced some minor problems. An issue regarding land rights required resolution for placement of a water tank. Earthquakes in February and March of 2001 caused problems in the physical infrastructure. Some control issues arose between the Water Administration Associations and the Local Community Development Organizations. One Local Community Development Committee insisted on administering its water system, but resolved the control issue by agreeing to pay the standard fees to the Water Administration Association.

Despite delays caused by the earthquakes, late payments from a co-donor and conflicts between various organizations, the project exceeded its goal both tangibly and intangibly. Funding came through, the work continued and the conflicts were resolved to everyone's satisfaction. The impact of the PROCOSAL project was tremendous. A community leader eloquently described it when he said that nothing had affected his adult life more than 24-hour access to water.

Lessons Learned

At the introductory stages of a project, both governmental and nongovernmental organizations should have been involved. Fruitless discussions and activities that cause delays can be avoided by a consensus among the organizations involved.

A permanent administrative body formed at the beginning of the project would have avoided changes in midstream and reduced disagreements.



GUATEMALA

Asociación de Comités de Desarrollo Rural Temalense *Building a Community*

Background

The *Asociación de Comités de Desarrollo Rural Temalense* (ACODERT) is a community-based group of farmers and other low-income residents, many of whom originally belonged to nine distinct development committees operating in the Temal district of Guatemala. After training in organizational skills and local development from FUNDEBASE, an organization the IAF had supported earlier, the committees banded together to implement infrastructure projects funded by nine loans they completely repaid. ACODERT also had a commercial partnership with an exporter of agricultural goods, to whom it sold the increase in production of higher value crops in exchange for seeds and supplies and training. Community development was hindered by the seasonal migration of up to 80 percent of the area's population, a pattern residents sought to reduce through more and better employment opportunities locally.

Objectives and Results

ACODERT planned to provide training and loans to increase jobs and income for 90 low-income families. Two revolving loan funds were envisioned, one for approximately 100 loans for micro-irrigation systems to extend the growing season and the other to provide approximately 90 loans for organic and small animal production.

An increase in membership reflects not only ACODERT's success in terms of project objectives but also in approaching organizations and agencies for assistance in meeting its members' basic needs. By completion, ACODERT had conducted workshops on administration, ranging from planning and budgeting to group skills; organic agriculture; agricultural processing; environment; nutrition and natural medicine; marketing; leadership; and credit management. As planned, ACODERT members

cultivated 50 new plots using the organic production methods they had learned to grow chilies, tomatoes and other vegetables.

More than 50 people (34 men and 16 women) are now employed full-time in producing snow peas for export. Additional residents help during harvest season when up to 80 other individuals work part-time cleaning and sorting the produce. Increased market demand for snow peas has resulted in an average annual income of \$1,623 for each of the 50 producers. The average annual income from sorting and packing is \$195. The 70 ACODERT members with micro-irrigation systems earn on average \$350 more than those without systems, who must migrate. Further, the residents now have a cold room and a storage center to protect their produce.

Additionally, the standard of living improved. ACODERT obtained from programs of the Ministry of Education literacy training for 30 residents and basic schooling for 16 men and women. Both the individuals and the organization benefited. Because the members remain in the communities, their chil-



dren can attend school without interruption, in contrast to children of workers who still migrate. The association has signed cooperative agreements with the Ministry of Agriculture and the Fondo Indígena for training and technical assistance in organic production. The association members worked with the government's forestry agency to plant a tree nursery for composting materials. ACODERT received technical assistance in snow pea production from the international export service company, SIESA, and continued its alliance with San Juan AgroExport, a Guatemalan export company.

Another government agency, Social Investment Funds (FIR), came through with financing for the storage center planned but funds for micro-irrigation systems were not forthcoming after the 2000 presidential elections and a consequent change in management. Installing micro-irrigation systems continues to be among ACODERT's long-term goals.

ACODERT initially provided loans for cattle-raising and crop diversification, including organically grown vegetables. Thirty-five group members constructed irrigation ditches and received loans for individual irrigation systems. Later when no co-funding materialized from FIR, the remainder of the funds set aside for micro-irrigation loans was allocated to 18 loans for organic production and for ACODERT administration. In all, ACODERT provided 105 loans; the repayment rate was 99 percent.

The project was extended for a year to promote consolidation of the group and of local development. The focus was on continued training in organic agriculture and nutrition, reinforcement of the revolving credit fund, and the introduction of management of micro-irrigation systems.

Lessons Learned

ACODERT had managed the award and repayment of nine loans with a total value of \$100,000. To manage the loans, however, standards of accounting, requiring transactions by check, needed to be reconciled with the rural reality, which could not accommodate these financial instruments. The cost of notarizing each contract exceeded 25 percent of the value of the loan, so the director and the board agreed to notarize contracts only after a borrower became delinquent. ACODERT learned from this experience that all individuals administering the loan fund must agree on workable mechanisms to ensure transparency and accountability prior to extending a loan. The various committees forming ACODERT cooperated and grew together. Its members successfully accessed resources and assistance from the private and public sectors, local, national and international, which not only advanced the growth of the association, but also worked toward ACODERT's sustainability and the increased stability of the community.



James Adriance

Pwogram Fomasyon pou Organizasyon Dyakona

Creating a Sense of Community

Background

The nonprofit *Pwogram Fomasyon pou Organizasyon Dyakona* (PWOFOFOD) targets formation of community organizations in Haiti. PWOFOFOD's first effort included a diaconal training program with urban churches, which focused on micro-credit and literacy program development and building a local organization of deacons. In 1997, the organization obtained legal status and, with support from the Japanese Embassy, acquired a new office building.

In November 1998, PWOFOFOD signed an agreement with the IAF to mobilize local resources for social and economic development. Specifically, the project sought, through literacy training, community banking and building investment in local development projects, to improve the social and economic status of three marginal neighborhoods in Port-au-Prince, all facing problems with potable water, sanitation, small business infrastructure and transport. Residents of these neighborhoods had migrated from different areas and had very little sense of community.

Objectives and Results

PWOFOFOD sought to:

- * Mobilize resources from the neighborhoods and the business sector to support identified needs;
- * conduct annually four workshops on resource mobilization strategies with development committees from the low-income neighborhoods;
- * increase business-community partnerships supporting literacy centers and literacy training for 2,250 adults;

- * expand the community banking program to provide at least 100 loans to small businesses; and
- * improve PWOFOFOD's chances for sustainability by adding two stories to its building and renting out space to generate revenue for its local development program.

PWOFOFOD's novel program was successful. Community residents took part actively and have gained new confidence in their ability to do things for themselves and change their lives. The group dynamics of the three communities led to a locally funded development project in each. Martissant residents built four latrines for eight families and cleaned canals clogged with refuse. The Jacquet Toto community built a 150-foot well that supplies potable water for 200 families. Christ-Roi/Delmas residents built a canal to channel rainwater and constructed a bridge over the canal, benefiting 10,000 residents. The canal was a priority because of flooding that blocked access to homes and schools. The community also formed a committee to prevent clogging under the new bridge.

As planned, PWOFOFOD provided 100 loans to small businesses providing metalwork, carpentry and food services. A loan to a woman ice cream vendor enabled her to expand a one-person shop to a 12-employee enterprise which makes and sells her ice cream under the name of Sapibon and gives other vendors a price break so they can make a living from selling her product. A tailor used his loan to increase his output from ten suits a month to three dozen. The loans generated employment in the neighborhoods where these businesses were located.

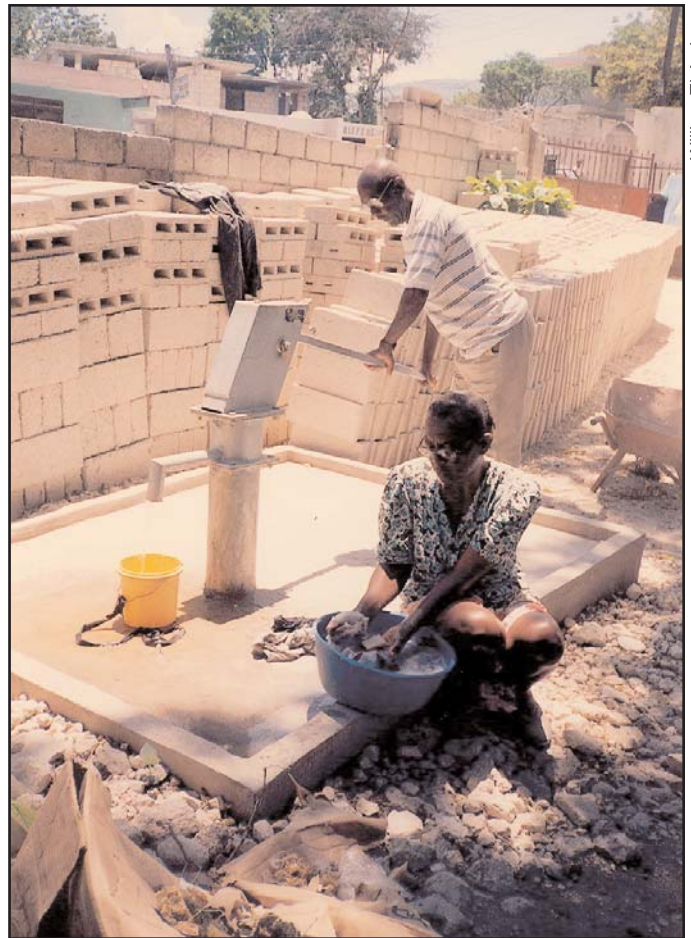
PWOFOFOD built partnerships with the Haitian business sector and international groups providing resources. Delmas, in particular, benefited when the

Ministry of Public Works made available at reduced costs a construction tractor and six concrete drain pipes. Two of PWOFOOD's most important partners are the Christian Reformed World Relief Committee (CRWRC), which has partnered with PWOFOOD since 1993, and the Haitian Partners for Christian Development (HPCD), formed by a core of Haitian businesspeople for the purpose of finding job opportunities for the unemployed.

A disappointment was PWOFOOD's inability to meet its training target of 2,250 adults; instead it reached 1,180. PWOFOOD faced competition from new government centers which offered training free of charge while PWOFOOD's training cost 50 *gourdes*, or \$1.40, a charge intended not only to defray operating costs but also to motivate participants to stay in the program. Some people opted for the free government program.

Lessons Learned

Small local development activities can transform beneficiaries' belief in what a community can do by working together.



William Théodor

HONDURAS

Asociación de Investigación y Capacitación para el Desarrollo de Honduras

Continuing Education and Capacity-Building

Background

The aftermath of Hurricane Mitch exacerbated the plight of low-income families in hard hit areas of Honduras' Caribbean coastline. Fortunately, an experienced group was ready for action, the non-profit *Asociación de Investigación y Capacitación para el Desarrollo de Honduras* (AINCADEH), legally incorporated in 1996 to promote long-term community development and organizational strengthening.

To respond quickly to the challenge from the hurricane and form a real basis for development in the affected areas, in 1999 the IAF signed a 3-year grant agreement with AINCADEH for a capacity-building training project. The idea was to provide 1,750 low-income women heads-of-household training, technical assistance, equipment and materials required to start small-scale enterprises, increase their income and satisfy their basic health, education, housing and family needs. AINCADEH was to carry out the project in collaboration with the municipalities of Tela and Marcala.

Objectives and Results

AINCADEH was to initiate the project by organizing beneficiaries into 70 mutual support groups, each averaging 25 members, and training them in fruit processing, cement block manufacture, raising chickens and pigs, apparel and craft design and production, and baking. The project anticipated that the groups would form 60 community banks, providing members with financial capital for business expansion. Each group would select a board to manage the community bank and business assets. AINCADEH also planned workshops on various aspects of business management, financial literacy, commercialization, environmental conservation, women's health and basic literacy.

Although the project foresaw the formation of 70 groups whose members were to receive training and technical assistance focusing on productive activities, 130 men and 1,233 women actually received on-the-job training. The inclusion of men as project beneficiaries was surprising but necessary; men, particularly the women's male companions, AINCADEH noticed, worked with the women carrying construction materials, tending animals and producing goods. AINCADEH conducted training as well as business management, marketing and planning and evaluating projects. Beneficiaries were excited to improve and expand their production and even proposed new jobs in shoemaking and rope weaving. Productive activities gave a say in decisions to many women who had never before been part of a women's group or worked outside the home. Production rose for the established groups with their improved knowledge of budgeting for their expenses and setting their selling prices. With the municipalities of Tela and Marcala, AINCADEH arranged continuing support for them and coordinated development efforts. Other beneficiary groups received training, supplies, materials and equipment so they could operate their respective enterprises.

By the time the grant ended in 2002, 43 groups had been organized and were operating. Although more individuals and groups were involved at the start of the project, the surviving groups, with their 935 beneficiaries (744 women and 191 men), are stronger in structure and ability, improving their chances of sustainability. Members' diets have improved due to training in nutrition, new sources of income and increased production of eggs, chickens and pigs. Twenty percent of the groups went into baking, 17 percent into raising chickens, 14 percent into sewing and 18 women from one group into cement block production. The rest concentrated on pig, bean and egg production, and gardening.

Lessons Learned

AINCADEH drew on its experience with micro-enterprise projects when it decided to strengthen existing groups and respond to their growing needs rather than simply form more groups. AINCADEH's value on continuing education as groups evolve provides a model for planning for continuing training opportunities as groups grow.

The 43 groups flourishing by the end of the grant period will require additional training to strengthen group dynamics, decision-making and resource generation. This can be accomplished through linkages to local governments and national and international assistance programs. AINCADEH's initial focus on building the interest and involvement of private and public entities provided training sources to meet various needs during a time of financial constraints. The growing ties should prove useful in the future as well.



Centro San Juan Bosco

Housing Development Patterns in San Pedro Sula

Background

An acute housing shortage in Latin America is aggravated by the proliferation of improvised shelters and inadequate access to public services. San Pedro Sula, Honduras, is no exception, despite being the country's economic engine. There, as elsewhere in the Americas, the breadth and depth of the housing crisis weighs most heavily on the poor. El Ocotillo, a marginal area about 15 kilometers northeast of San Pedro Sula's center, covers an area of approximately 13.3 hectares of varied topography. It is populated by migrants who left rural riverside communities or settlements located on natural reserves in search of a better life.

Organization, Accord and Hurricane Mitch

The nonprofit *Centro San Juan Bosco* (CSJB), founded in 1980 in the city of Tela in northern Honduras. CSJB is dedicated to addressing housing issues through innovative financing. In 1998, the IAF and the CSJB signed a two-year accord on a project to alleviate housing and living conditions for El Ocotillo residents whose situation was especially precarious. Most lived in improvised one-room shacks. These miniscule units where five people ate and slept spawned a host of infectious diseases. The devastating effects of Hurricane Mitch caused significant delay in starting the projects, and the grant agreement was extended through July of 2002.

Goals and Results

The project sought specifically to facilitate credit to working class families for building their own homes. Clearly, *Centro San Juan Bosco* achieved its goals. Specifically, 130 families, 92 percent of those envisioned, acquired their own homes; 120 units were electrified. An additional 12 units were either remodeled or expanded. With regard to the

more general goal of improving the quality of life, 253 persons were vaccinated and 56 percent of the beneficiaries felt instilled with greater determination and perseverance.

Lessons Learned

Over the course of the project, *Centro San Juan Bosco* learned from positive and negative experiences, but positive experiences predominated. The formation of alliances with local government, for example, through partial subsidies for lots, reduced the cost to the project's beneficiaries. In-kind credit ensured that resources were used exclusively for housing construction, avoiding misuse of funds. While the grantee failed to factor inflation into its budget, the *Centro San Juan Bosco*'s project can be characterized as innovative and proactive.

MEXICO

Coordinadora Comunitaria Miravalle *Mixed Results with Production, Savings and Alternative Education*

Background

The Miravalle community in Iztapalapa, a suburb of Mexico City, sprang into existence in 1981. As a result of the housing shortage in the central city and migration from the countryside, its population began to increase significantly in 1985. By 1991, it faced a serious lack of services, including electric power, streetlights, transportation, hospitals and schools. Prompted by the encouragement of democratic participation in the community, four organized groups of Miravalle residents and university students decided to coordinate their work on their community's problems and incorporated in 1994 as the *Coordinadora Comunitaria Miravalle* (COCOMI). In 1999, COCOMI successfully applied for an IAF grant for its "Urban Production, Savings, and Alternative Education Project of the Eastern Region of Sierra de Santa Catarina" with its goals of comprehensive urban development and better living conditions.

Objective and Results

COCOMI sought to establish a revolving credit fund, a savings and loan program, a community health services program, and a program to strengthen the participating groups.

Revolving credit fund

The original proposal had anticipated the establishment of a revolving credit fund to capitalize 12 community groups carrying out productive enterprises. The focus was to promote the idea of revolving credit funds and finance a minimum of three projects in the first year and three to four more in the second year. Amidst worsening economic conditions, COCOMI decreased the credit fund and increased funds for education. Over the life of the project, COCOMI extended only nine loans totaling \$10,380 for activities that did not prove sustainable.



Savings and loan program

Initially, the program was open to COCOMI members, their families and interested Miravalle residents. But a cost-benefit study conducted upon completion of the savings and loan association's first cycle demonstrated the need to restrict the program to members only. Although many individuals were interested, their deposits were extremely small (one or two pesos a week), and handling so many small accounts was too time-consuming to be cost-efficient.

Community health services

The Miravalle Health Center continues to deliver basic medical care thanks to the support of the Metropolitan Autonomous University-Xochimilco. Dental and medical students provide general health care, while specialized professionals offer services in optometry, nutrition, gynecology, psychology and homeopathic medicine. The pharmacy has increased the variety of generic drugs available at reduced prices, and Miravalle has a garden of medicinal plants from which syrups and ointments are made.

Institutional strengthening

In addition to workshops and organizational meetings, the four founding groups participated in networks of civic organizations to strengthen their participatory processes. The set of competencies and skills acquired has enabled them to work more efficiently.

Organizational and Financial Sustainability

From an organizational strengthening perspective, COCOMI's project has resulted in the establishment and consolidation of the various group efforts to access capital for educational projects and income-generating projects. The planning, evaluation, project development, institutional strengthening, and internal conflict resolution skills acquired, among others, have enabled these groups to continue their work beyond the termination of IAF funding, whether they remain part of COCOMI or proceed independently. At the end of the grant period, the education group plans to split off and the ecolog-

gy group plans to leave. These decisions result partly from a conflict that was not resolved to COCOMI's satisfaction, but they also attest to the maturity of these groups, which can now leave the nest.

Financially, the community pharmacy and the manufacture of natural medicines and cosmetics, both initiated under the loan program, are going concerns expected to continue indefinitely. While these enterprises are adequately managed and have not shown losses, they have not earned profits sufficient to fairly and meaningfully compensate the inhabitants of Sierra de Santa Catarina who have been contributing to their success.

Lessons Learned

COCOMI's decade of community work points to the need to devote significant time and resources to strengthening the participating groups institutionally and to developing the ability to resolve conflicts inherent to organizational processes. While such an investment might seem useless or unprofitable, experience has shown that the continuity and the impact of community work often depend on organizational strengthening.

A community enterprise rarely yields economic benefits immediately nor can such enterprises be expected, as envisioned in the proposal for this project, to provide residents their sole source of wages and benefits.

Productive projects require not only efficient administrative procedures, but intense educational work, awareness efforts and civic participation help to define problems and build solutions that take into account economic, political and cultural concerns.

In the current context of globalization, we must encourage organizations and networks to coordinate their grassroots work in order to achieve a more organized response to and a greater impact on living conditions.

Fomento de la Cultura Ecológica

Change Comes Slowly

Background

Fomento de la Cultura Ecológica (FOMCEC) provides training and technical assistance in environmental waste management to the under-served micro-enterprise sector in Monterrey. The non-governmental organization works in collaboration with Monterrey's municipal government and with private sector industrial waste companies. In 2000, FOMCEC received IAF funding to conduct training for small business owners and disseminate a successful model of environmental education. The goal was to improve conditions for some 55,000 people in low-income neighborhoods suffering from the ill effects of industrial pollution.

Objectives and Results

FOMCEC's focus was to develop appropriate training materials and hold 12 courses on environmentally safe production processes for 570 owners of high-risk businesses who would pass the information on to their 4,000 employees. The anticipated increased profitability and extended longevity of these micro-enterprises were also expected to benefit the participating entrepreneurs' 2,850 family members. FOMCEC also planned to disseminate case results and course information in bulletins and other publications for the wider community.

The project objectives were achieved in two and one-half years, but on a smaller scale than initially envisioned. FOMCEC quickly discovered that the small business owners had very little time for classroom training and feared any entity that might trigger government inspection and fines. FOMCEC requested an extension of six months, which the IAF granted, and switched the format to a series of visits to the individual business sites. The organization also de-emphasized its official connections in approaching potential trainees.

In all, FOMCEC visited 240 different business owners, equally representing the car repair, printing and metalworks sectors. The first visit involved a study of the site; on the second visit, FOMCEC staff provided a copy of "Development and Operation of Micro- and Small Businesses in Balance with the Environment," a sector-specific environmental manual. Visits also included technical assistance on more efficient use of supplies, the distribution of a list of waste disposal businesses for the particular sector, and Internet sites where more detailed information could be obtained.

By randomly evaluating trainees from each sector, FOMCEC learned that about half of the owners of printing and metalwork shops implemented recommendations as opposed to only 6 percent of the owners in the car repair businesses. More likely to be acted upon were recommendations on reducing costs or recommendations reinforced with a follow-up visit. To improve this pattern, FOMCEC contracted the Institute for the Environmental Protection of Nuevo León to certify participants who implemented recommendations.

In addition to disseminating cases in its bulletin, FOMCEC has posted its manuals on its Web site. FOMCEC prepared three sector-specific promotional reports on its environmental study and options to minimize waste and distributed them to 518 metalworkers belonging to the Chamber for the Industrial Transformation of Nuevo León (CAINTRA), 294 mechanics in CAINTRA and 700 printers associated with the National Chamber of Graphic Arts of Nuevo León which printed FOMCEC's case results in its trade magazine.



Miguel Sayago

Lessons Learned

FOMCEC's initial research for its project omitted any inquiry into the availability of potential trainees who could not fit long training sessions into their schedule. Consequently, FOMCEC adapted, and continues to adapt, its methodology.

FOMCEC discovered that an apparent connection with a government office prejudiced participation in its program. To reinforce the academic nature of its training, FOMCEC enlisted chemical engineering students from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* to assist with visits.

Participation by university students has been built into a long-term, win-win strategy that gives the students practical experience and reduces FOMCEC's costs.

FOMCEC is aware that its future activities, and the application of its environmental recommendations to small businesses, will require financial support from a local organization. In this connection, the NGO has approached individual members of the American Chamber of Commerce in Mexico.

Ties with other organizations must be solidified before waste disposal infrastructure can be functioning in all neighborhoods.

Centro de Promoción del Desarrollo Local

Helping Local Producers Recover from the Impact of Hurricane Mitch

Background

In 1999, after Hurricane Mitch had devastated Nicaragua, *Centro de Promoción del Desarrollo Local* (CEPRODEL), applied to the IAF to help residents in two municipalities not only recover but also implement sustainable local development. CEPRODEL was founded in 1989 to assist the poor in managing their development activities, such as housing and micro-enterprises. The IAF awarded CEPRODEL a grant to help small-scale farmers and entrepreneurs with sustainable subsistence, cash crop production and business ventures.

Objectives and Results

Specifically, CEPRODEL planned a working capital fund for some 290 loans. Interest earned would be recycled for other development activities.

CEPRODEL also sought to form a Local Economic Development Corporations (LEDC) in each municipality. Seventy-five LEDC staff and members were to be trained in participatory planning, credit analysis, and financial management. Then, further training was scheduled for 112 local authorities, regional and community leaders, and the local non-profit organization members who would be part of the LEDCs. To strengthen LEDCs functioning and expand their number, CEPRODEL also planned a radio network linking seven municipalities where LEDCs existed or were planned.

CEPRODEL conducted more training than originally envisioned: 126 workshops on credit and personnel, management of accounting and savings software, savings promotion, and the formulation of business plans for 685 people, including 274 women. The success of the training, as well as the



interest and ability of the LEDCs, has allowed CEPRODEL to step down and allow the LEDCs to function. The LEDC of Posoltega, CODELOPSA, was established in April 2002 and included the mayor and the agro-forestry cooperative. Chicigalpa's LEDC is in the process of obtaining legal status. Both LEDCs prepared their own manuals and business plans for the years 2002-2006.

To meet the immediate needs of the communities, CEPRODEL established in each municipality a credit fund providing a total of 665 loans, most loans for agriculture and livestock reactivation and production, a need not met by other credit sources. The funds also extended 89 loans for rebuilding and improving homes damaged by the hurricane and various other loans to small businesses offering carpentry, tire repair, hair salon and food services. The 665 loans helped secure full-time employment for 1,010 residents and part-time work for 800 residents. Additionally, the enterprises funded by these loans indirectly generated employment for another 160 residents. The LEDC model, coordinating local institutions, has proved successful in the poorer northern zones of the western province. Local governments are adopting more business logic in municipal functions, and even corporations are impressed by CEPRODEL's business sense.

Lessons Learned

The project's success in moving beyond hurricane recovery to sustainable credit funds and development institutions was possible due to the grantee's experience, its foothold in the municipalities, and strong training and systems.

The training focused on credit administration with supporting software contributed to the success of loans, which in turn allowed the fund to grow.

Instituto Panameño de Desarrollo Municipal

Building Capacity for Development

Background

The *Instituto Panameño de Desarrollo Municipal* (IPADEM) is a nonprofit association whose mission is to strengthen local governments and to stimulate citizen participation and organization in addressing local issues. IPADEM provides training, technical assistance, research and publications on local development issues to local governments and interested groups. In 1997, IPADEM received a three-year IAF grant to strengthen the capacity of municipal authorities and local groups in mobilizing resources and undertaking projects to improve conditions in 43 jurisdictions of six impoverished municipalities: San Félix and Tolé in Chiriquí province; Océ and Santa María in Herrera province; and San Francisco and Santa Fé in Veraguas province.

Objectives

The specific objectives of the project were to:

- * Establish, capitalize and administer a social investment fund providing grants and loans to 54 projects;
- * form two local development committees (CDLs) in 27 jurisdictions, or *corregimientos*;
- * conduct six participatory community needs assessments for use in developing sustainable municipal plans;
- * form and train six teams of municipal development promoters, composed of 120 volunteers, to provide technical assistance to CDLs; and
- * train 630 local authorities, community leaders and organized groups in topics related to resource mobilization, local development processes and social project management via 74 seminars and 324 workshops/assemblies of the CDLs.

Results

IPADEM conducted the project in seven municipalities instead of six as planned, adding La Mesa in Veraguas Province. Although the grant was extended for two more years, IPADEM approved 39 community projects, instead of 54 as originally planned. Reasons for the decrease included poor roads, insufficient access to training, the municipalities' inadequate institutional capacity, their unstable financial status, and the limited time CDL members could devote to training, meetings and project funding. Furthermore, the May 1999 general election was followed by a lengthy transition period that delayed disbursement of government funds by several months. Before the elections, IPADEM had opted to suspend project activities to avoid the appearance of funding political campaigns.

Once the new national, local and municipal authorities were in office, the project moved forward. In fact, the variety of funding sources for the Social Investment Fund testifies to IPADEM's success in mobilizing resources. Of the \$467,000 available to support projects, the IAF's \$127,000 grant to IPADEM represented 27 percent, and the remainder, or 73 percent, came from local sources:

- * \$84,000, or 18 percent, from the CDLs;
- * \$66,000, or 14 percent, from government institutions;
- * \$61,500, or 13 percent, from *corregimiento* representatives;
- * \$35,000, or 8 percent, from community boards;
- * \$34,800, or 7 percent, from legislators; and
- * \$58,000, or 12 percent, from private companies.

The CDLs undertook community activities in seven categories: Educational projects accounted for 34 percent of their funding; social projects for 18 percent; public facilities for 17 percent; church infrastructure for 13 percent; recreational facilities for 12 percent; and health projects and transportation infrastructure for 3 percent each. Projects included school repair and construction, the installation of sanitary services, new parks and improvements to existing parks, a terminal and a basketball court.

The National Institute for the Professional Training and the National Secretariat of Science and Technology, among other organizations, supported IPADEM's training activities. Workshops for CDLs members have allowed them to take positive steps toward improving their communities, including mutually beneficial collaboration with other communities.

Fundación para el Desarrollo Solidario

New Opportunities for the Disabled in Lima

Background

Fundación para el Desarrollo Solidario (FUNDADES), founded in Lima in 1992, is a nonprofit association specialized in providing physical and speech therapy to disabled children and young adults. FUNDADES derives its income from its services and from private sector donations. In 1998, the Inter-American Foundation (IAF) signed a three-year grant agreement, later extended for an additional year, with FUNDADES to provide skills training and business loans to 2,810 disabled persons in the municipal district of Villa El Salvador on the outskirts of the Peruvian capital.

Objectives and Results

FUNDADES targeted specific objectives:

- * To construct and furnish a job skills training center;
- * to train 2,810 disabled Villa El Salvador residents in job skills and micro-enterprise management;
- * to administer a \$200,000 revolving fund to provide loans for micro-enterprises to newly trained disabled persons, to other disabled micro-entrepreneurs and to small business owners who agree to hire the handicapped; and
- * to sensitize the residents of the district, through information, to problems disabled persons face, particularly in finding work.

Measured against these objectives, FUNDADES' project was an unqualified success. It established the only training center for the disabled in Lima's southern zone and it offered training and loans to an underserved group. Initially, however, the grantee had met delays in securing title to the land where the training center was to be built from the

municipality of Villa El Salvador despite a pledge to do so. This led FUNDADES to reduce its original estimate of the beneficiaries it could reach from 2,810 to 600, which the IAF approved through an amendment to its grant. Once the training center in Villa El Salvador was built, FUNDADES conducted 77 courses for a total of 1,410 participants who learned carpentry and dressmaking, as well as production of caps, backpacks and industrial garments. Another 73 individuals were trained in business management.

FUNDADES made 119 loans from the IAF-supported revolving fund to 69 men and 50 women. Sixty-one of the IAF-supported loans went to hand-



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icapped people to start up a business. A total of 47 of these loans helped preserve jobs for 165 individuals in businesses that otherwise would have closed, and the remaining 11 loans were used to strengthen businesses employing a total of 18 handicapped workers. A \$150 loan to one beneficiary, who had become handicapped following an accident, allowed her to start up a business selling sweets which now earns her at least \$50 per day, enough to cover daily expenses for her entire family. Thanks to additional support from CODESPA of Spain, FUNDADES made 799 loans in all.

The project's success was due in large part to FUNDADES' skill in marshalling various forms of support. Professionals contributing expertise included the architect who designed the center and supervised construction. When the group to provide job skills training and micro-enterprise management courses changed its focus from direct training to training trainers, FUNDADES was quick to enlist the assistance of another agency. FUNDADES allied itself with five entities in all, including municipalities, businesses and an NGO. Additional collaborators included 24 other government agencies, among them hospitals and rehabilitation organizations, 13 businesses, and four nongovernmental organizations.

Villa El Salvador, as well as several other districts, now has a municipal office to serve the disabled, ensuring they are afforded equal opportunities in the job market. This came about as a result of FUNDADES' visits and dissemination aimed at sensitizing municipal staff and businesses to the abilities of disabled individuals and their situation as applicants for employment.

Lessons Learned

Given the proper training and the opportunity to be productive, disabled people can be recognized as valuable members of society.

Mancomunidad Noroccidental de Barinas

Responding Creatively to Challenges

Background

Mancomunidad Noroccidental de Barinas

(Mancomunidad) is a unique civic organization representing local governments, business, citizen associations and nongovernmental organizations in four municipalities in the Venezuela state of Barinas. Its aim is to assess urban problems and develop regional solutions, focusing on the needs of local communities and providing them basic municipal services.

“The Program of Environmental Education and Community Participation for the Use and Appropriate Disposal of Solid Waste” evolved from Mancomunidad’s finding that 90 percent of the region’s solid waste was of household origin. While the organization had the technical information, a successful program would need an educational and motivational approach aimed at Barinas’ poor communities.

Objectives and Results

Mancomunidad planned over two years to:

- * Train 500 community promoters for environmental outreach;
- * conduct 280 environmental outreach seminars for 48,000 community residents;
- * form 15 environmental youth brigades;
- * develop a regional recycling collection center; and
- * set a mechanism in place for generating funds to support the environmental brigades’ activities.

Mancomunidad achieved the following:

- * Trained 1440 community promoters for environmental outreach, many more than planned;

- * Conducted fewer environmental outreach seminars (231) but for more community residents (48,623);
- * Established 22 environmental youth brigades, seven more than planned.
- * While it did not complete the regional recycling collection center, it acquired a metal compactor, scales, glass crushing machine and seven containers with which to start up the center in September 2002; and
- * Set up mechanisms for generating funds to support the environmental brigade activities.

Although Mancomunidad initially planned to train 25 volunteers, it soon realized the workload required full-time paid promoters, and it was able to contract five, each responsible for training his “legion” on topics such as the environment, waste recycling, community projects and organic agriculture. After training and forming the alliance of communities and local institutions, promoters encouraged the formation of environmental committees. Trained committee members acted immediately to select a problem then design and implement a project to address it. To engage community participation, Mancomunidad worked with existing community groups and designed a competition in each of the five “legions.” Two hundred sixty five community members, who had cultivated gardens as a project, benefited from improved diets. After training, 19,730 residents separated recyclable items, organic and non-organic, from their trash.

The major difficulty Mancomunidad encountered was receiving less than promised from a matching donor, *Petróleos Venezuela S.A.* (PDVSA). Mancomunidad reacted by focusing on pilot schools and models for each municipality in order to reach more community members with fewer resources. These continue to serve as centers for

training and expansion into the respective geographic area of operation. In just two years, Mancomunidad's program reached almost nine percent of the population in the four municipalities. Undeterred by its disappointment with PDVSA, the organization tried again and secured funding from three Venezuelan donors, including PDVSA, for tree nursery in a former landfill, which it plans to use as a training center producing 40,000 trees for sale annually. Pursuant to an agreement between Venezuela and the European Union, mancomunidad will run the recycling facility as a business and earn income to reinvest in future projects.

Lessons Learned

Mancomunidad's regular "education" meetings to monitor the progress of activities proved useful particularly in light of the wide coverage of the project and its financial challenge. Mechanisms for marketing recycled goods will be important for Mancomunidad.

Mancomunidad used a variety of successful methodologies focused on strengthening community and educational organizations to help incorporate an environmental dimension in projects and study programs. These methodologies included concrete actions, permanent committees and alliances between the educational and neighborhood sectors.

The combination of institutionalizing groups and securing independent financing should sustain program activities.



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